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BEFORE THE
NUERNBERG MILITARY TRIBUNALS

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VOLUME VII

"THE I. G. FARBEN CASE"

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International Military Tribunal

TRIALS

OF

WAR CRIMINALS

BEFORE THE

NUERNBERG MILITARY TRIBUNALS

UNDER

CONTROL COUNCIL LAW No. 10

VOLUME VII

NUERNBERG

OCTOBER 1946–APRIL 1949

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1953

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May 27, 1953

"The Farben Case"

Military Tribunal VI

Case 6

THE UNITED STATES OF AMERICA

—AGAINST—

CARL KRAUCH, HERMANN SCHMITZ, GEORG VON SCHNITZLER, FRITZ GAJEWSKI, HEINRICH HOERLEIN, AUGUST VON KNIERIEM, FRITZ TER MEER, CHRISTIAN SCHNEIDER, OTTO AMBROS, MAX BRUEGGEMANN, ERNST BUERGIN, HEINRICH BUETEFISCH, PAUL HAEFLIGER, MAX ILGNER, FRIEDRICH JAEHNE, HANS KUEHNE, CARL LAUTENSCHLAEGER, WILHELM MANN, HEINRICH OSTER, KARL WURSTER, WALTER DUERRFELD, HEINRICH GATTINEAU, ERICH VON DER HEYDE, and HANS KUGLER, officials of I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT, *Defendants*

TRIALS OF WAR CRIMINALS BEFORE NUERNBERG MILITARY TRIBUNALS

Case No.	*United States of America against*	*Popular Name*	*Volume*
1	Karl Brandt, et al.	Medical Case	I and II
2	Erhard Milch	Milch Case	II
3	Josef Altstoetter, et al.	Justice Case	III
4	Oswald Pohl, et al.	Pohl Case	V
5	Friedrich Flick, et al.	Flick Case	VI
6	Carl Krauch, et al.	I. G. Farben Case	VII and VIII
7	Wilhelm List, et al.	Hostage Case	XI
8	Ulrich Greifelt, et al.	RuSHA Case	IV and V
9	Otto Ohlendorf, et al.	Einsatzgruppen Case	IV
10	Alfried Krupp, et al.	Krupp Case	IX
11	Ernst von Weizsaecker, et al.	Ministries Case	XII, XIII, and XIV
12	Wilhelm von Leeb, et al.	High Command Case	X and XI
	Procedure		XV

ARRANGEMENT BY SUBJECT UNITS FOR PUBLICATION*

Case No.	*United States of America against*	*Popular Name*	*Volume*
		MEDICAL	
1	Karl Brandt, et al.	Medical Case	I and II
2	Erhard Milch	Milch Case	II
		LEGAL	
3	Josef Altstoetter, et al.	Justice Case	III
	Procedure		XV
		ETHNOLOGICAL (NAZI RACIAL POLICY)	
9	Otto Ohlendorf, et al.	Einsatzgruppen Case	IV
8	Ulrich Greifelt, et al.	RuSHA Case	IV and V
4	Oswald Pohl, et al.	Pohl Case	V
		ECONOMIC	
5	Friedrich Flick, et al.	Flick Case	VI
6	Carl Krauch, et al.	I. G. Farben Case	VII and VIII
10	Alfried Krupp, et al.	Krupp Case	IX
		MILITARY	
7	Wilhelm List, et al.	Hostage Case	XI
12	Wilhelm von Leeb, et al.	High Command Case	X and XI
		POLITICAL AND GOVERNMENT	
11	Ernst von Weizsaecker, et al.	Ministries Case	XII, XIII, and XIV

* Although the subject material in many of the cases overlaps, it was believed that this arrangement of the cases would be most helpful to the reader and the most feasible for publication purposes.

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INTRODUCTION

The trial of 23 officials of the I.G. Farben concern was commonly referred to as the Farben case and is officially designated as United States of America *vs.* Carl Krauch, *et al.* (Case 6). The Farben case was the third largest of all the Nuernberg trials, the record being surpassed in length only by the IMT case (Trial of the Major War Criminals, vols. I–XLII, Nuremberg, 1947) and the Ministries case (vols. XII–XIV, this series).

The Farben case was the second of the so-called industrialist cases, the indictment being filed after the indictment in the Flick case (vol. VI, this series) and before the indictment in the Krupp case (vol. IX, this series). Each of these three industrialist cases contained counts alleging spoliation of property in invaded countries and participation in Germany's slave labor program, and under these counts some of the defendants were found guilty in each of these cases. The indictments in both the Farben and the Krupp cases contained counts alleging crimes against peace, and in both cases the Tribunals found all defendants charged to be not guilty under these counts. The Tribunal in the Krupp case made its finding of not guilty at the conclusion of the prosecution's case in chief upon a defense motion, whereas the Farben Tribunal did not make its finding until final judgment. In a trial under Control Council Law No. 10 in the French Zone of Occupation, the German industrialist Hermann Roechling was found guilty of crimes against peace by a military tribunal of international composition, but this conviction was reversed upon appeal to the General Tribunal of the Military Government of the French Zone of Occupation in Germany. (The indictment, judgment, and judgment on appeal in the Roechling case are reproduced as Appendix B, vol. XIV, this series.)

Each of the 23* defendants in the Farben trial was an official of the I.G. Farben concern for varying periods of time: the first-named defendant, Krauch, was a member of Farben's managing board (Vorstand) from 1934 until 1940 and thereafter, until 1945, the chairman of Farben's supervisory board (Aufsichtsrat);

---

* The Farben indictment named 24 defendants. The case as to defendant Brueggemann was severed early in the trial by reason of Brueggemann's ill health and inability to stand trial with the other defendants. See section XX C, vol. XV, this series.

19 of the other defendants were members of the managing board; and three of the defendants held other important positions in the concern.

Each of the defendants was charged under four of the five counts of the indictment: count one, the planning, preparation, initiation, and waging of wars of aggression and the invasions of other countries; count two, plunder and spoliation; count three, slave labor; and count five, common plan or conspiracy to commit crimes against peace. Only three of the defendants, Schneider, Buetefisch, and von der Heyde, were charged under count four with membership in the SS, an organization of the Nazi Party declared criminal by the judgment of the International Military Tribunal. None of the defendants was found guilty under counts one and five (crimes against peace). Nine of the defendants were found guilty under count two (plunder and spoliation): Buergin, Haefliger, Ilgner, Jaehne, Kugler, ter Meer, Oster, Schmitz, and von Schnitzler. Five of the defendants were found guilty under count three (slave labor): Ambros, Buetefisch, Duerrfeld, Krauch, and ter Meer. None of the three defendants charged was found guilty under count four (membership in the SS).

The argumentation and evidence reproduced in these two volumes on the Farben case on the charges of crimes against peace (counts one and five) are more extensive than the materials included on the other three counts taken together for a number of reasons: first, the materials submitted by both the prosecution and the defense on these two counts were relatively more extensive; second, the Farben case was the only industrialist case involving charges of crimes against peace in which the defense was put to its proof; third, the two counts of the indictment on crimes against peace (counts one and five) both incorporated the detailed charges of counts two and three by reference on the theory that the acts of spoliation and slave labor "were committed as an integral part of the planning, preparation, initiation, and waging of wars of aggression and invasions of other countries" and "formed a part of said common plan or conspiracy"; and lastly, a number of the other volumes of this series contain extensive materials on either spoliation or slave labor, or on both spoliation and slave labor. (For materials on spoliation, see particularly the Flick case, vol. VI, the Krupp case, vol. IX, and the Ministries case, vols. XII–XIV; for materials on slave labor, see particularly the Milch case, vol. II, the Pohl case, vol. V, the Flick case, vol. VI, the Krupp case, vol. IX, and the Ministries case, vols. XII–XIV.)

The Farben case was tried at the Palace of Justice in Nuernberg before Military Tribunal VI. The Tribunal convened on 152

separate days. Testimony was taken at a number of sessions before commissioners appointed by the Tribunal (see section XVII, vol. XV, this series). The trial lasted nearly 15 months, as shown by the following schedule:

Indictment filed	3 May 1947
Arraignment of all defendants excepting Brueggemann, Lautenschlaeger, and Wurster	14 August 1947
Arraignment of defendant Lautenschlaeger	27 August 1947
Prosecution opening statement	27 August 1947
Severance of the case against defendant Brueggemann	9 September 1947
Arraignment of defendant Wurster	17 September 1947
Defense opening statements	18–19 December 1947
Defense closing statements	2–4, 7–9 June 1948
Prosecution closing statement	10 June 1948
Defense rebuttal closing statements	11 June 1948
Judgments	29, 30 July 1948
Sentences	30 July 1948
Filing of concurring and dissenting opinions of Judge Hebert	28 December 1948
Review of sentences by the Military Governor of the United States Zone of Occupation	4 March 1949

The English transcript of the Court proceedings runs to 15,966 mimeographed pages, excluding the concurring and dissenting opinions filed by Judge Hebert.

The prosecution introduced into evidence 2,282 written exhibits (some of which contained several documents) and the defense, 4,102 written exhibits. The testimony of over 189 witnesses was heard by the Tribunal or taken before the commissioners appointed by the Tribunal. One hundred two of the witnesses heard were defense witnesses. Four hundred nineteen of the prosecution's written exhibits were affidavits, whereas 2,394 of the written exhibits of the defense were affidavits. The exhibits offered by both prosecution and defense contained documents, photographs, affidavits, letters, charts, and other written evidence. Each of the 23 defendants who stood trial elected to testify on his own behalf, excepting the defendants Schmitz, von Schnitzler, and Lautenschlaeger. Each of the defendants who testified was subject to examination on behalf of the other defendants and on behalf of the prosecution. The prosecution did not elect to cross-examine the defendant Duerrfeld.

The members of the Tribunal, the commissioners of the Tribunal, and prosecution and defense counsel are listed on the ensuing pages. Prosecution counsel were assisted in preparing the case by numerous staff members of the Office of United States Chief of Counsel for War Crimes, including Walter H. Rapp, Chief of the Evidence Division; Fred Niebergall, Chief of the

Document Branch; interrogators Arthur T. Cooper, Benvenuto von Halle, Paul H. Katscher, Peter Miller, and Otto Verber; research and documentary analysts Sandu Apoteker, Henry Buxbaum, John Boll, Alfred Elbau, Max Frankenberg, Dorothea Galewski, Constance Gavares, Ester Glassman, George Halpern, Kurt Hauptmann, Otto Heilbrunn, Karl Kalter, Moriz Kandel, Hermann Lang, Hilde Meyer, Dorothy Plummer, Elvira Raphael, Walter Schoenfeld, Yvonne Schwarz, Wilhelm Tanner, Erna E. Uiberall, Herbert Ungar, and Hans Wolffsohn.

Selection and arrangement of the Farben case material published herein was accomplished principally by Norbert G. Barr, Dr. Karl Hoffmann (formerly defense counsel for defendants Ambros and von der Heyde), Walter Schoenfeld, Erna E. Uiberall, and Hans J. Wolffsohn, working under the general supervision of Drexel A. Sprecher, Deputy Chief of Counsel and Director of Publications, Office United States Chief of Counsel for War Crimes. Catherine Bedford, Gertrude Ferencz, Paul H. Gantt, Hans Lamm assisted in selecting, compiling, editing, and indexing the numerous papers.

John H. E. Fried, Special Legal Consultant to the Tribunals, reviewed and approved the selection and arrangement of the materials as the designated representative of the Nuernberg Military Tribunals.

Final compilation and editing of the manuscript for printing was accomplished under the general direction of Colonel Edward H. Young, JAGC, Chief of the War Crimes Division in the Office of the Judge Advocate General, Department of the Army, and Amelia D. Rivers as publications editor and under the direct supervision of Norma Heacock Sherris as editor, assisted by Ruth A. Phillips (editorial), Clara R. Gale and John P. Banach (research), and Anne Hall, research analyst assisted by Karl Kalter.

ORDER CONSTITUTING THE TRIBUNAL

HEADQUARTERS, EUROPEAN COMMAND

9 August 1947

GENERAL ORDERS
:
No. 87

Pursuant to Military Government Ordinance No. 7

1. Effective as of 8 August 1947, pursuant to Military Government Ordinance No. 7, 24 October 1946, entitled "Organization and Powers of Certain Military Tribunals," there is hereby constituted Military Tribunal VI.

2. The following are designated as members of Military Tribunal VI:

CURTIS GROVER SHAKE	Presiding Judge
JAMES MORRIS	Judge
PAUL MACARIUS HEBERT	Judge
CLARENCE F. MERRELL	Alternate Judge

3. The Tribunal shall convene at Nurnberg, Germany, to hear such cases as may be filed by the Chief of Counsel for War Crimes or by his duly designated representative.

BY COMMAND OF GENERAL CLAY:

C. R. HUEBNER
Lieutenant General GSC
Chief of Staff

OFFICIAL:
G. H. GARDE
Lieutenant Colonel, AGD
Asst. Adjutant General

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JUDGE CURTIS GROVER SHAKE, Presiding
Formerly Judge of the Supreme Court of the State of Indiana
JUDGE JAMES MORRIS
Justice of the Supreme Court of North Dakota
JUDGE PAUL M. HEBERT
Dean of the Law School, Louisiana State University
JUDGE CLARENCE F. MERRELL, Alternate Member
Member of the Bar of the State of Indiana

COMMISSIONERS OF THE TRIBUNAL

JUDGE JOHNSON T. CRAWFORD
Judge of a District Court of the State of Oklahoma
MR. JAMES G. MULROY

PROSECUTION COUNSEL*

Chief of Counsel:
Brigadier General TELFORD TAYLOR

Deputy Chief Counsel:
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Chief, I. G. Farben Trial Team:
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Associate Counsel:
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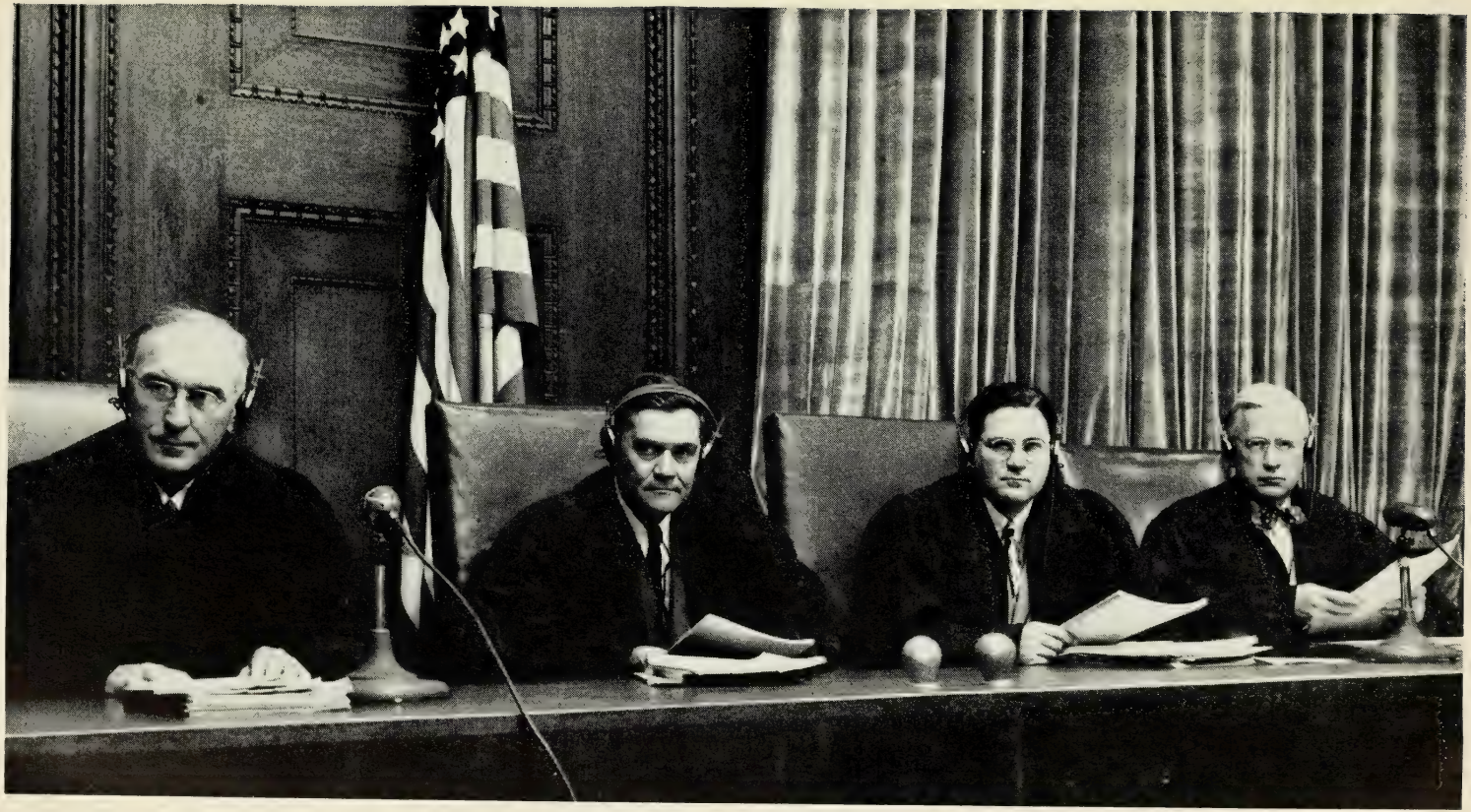
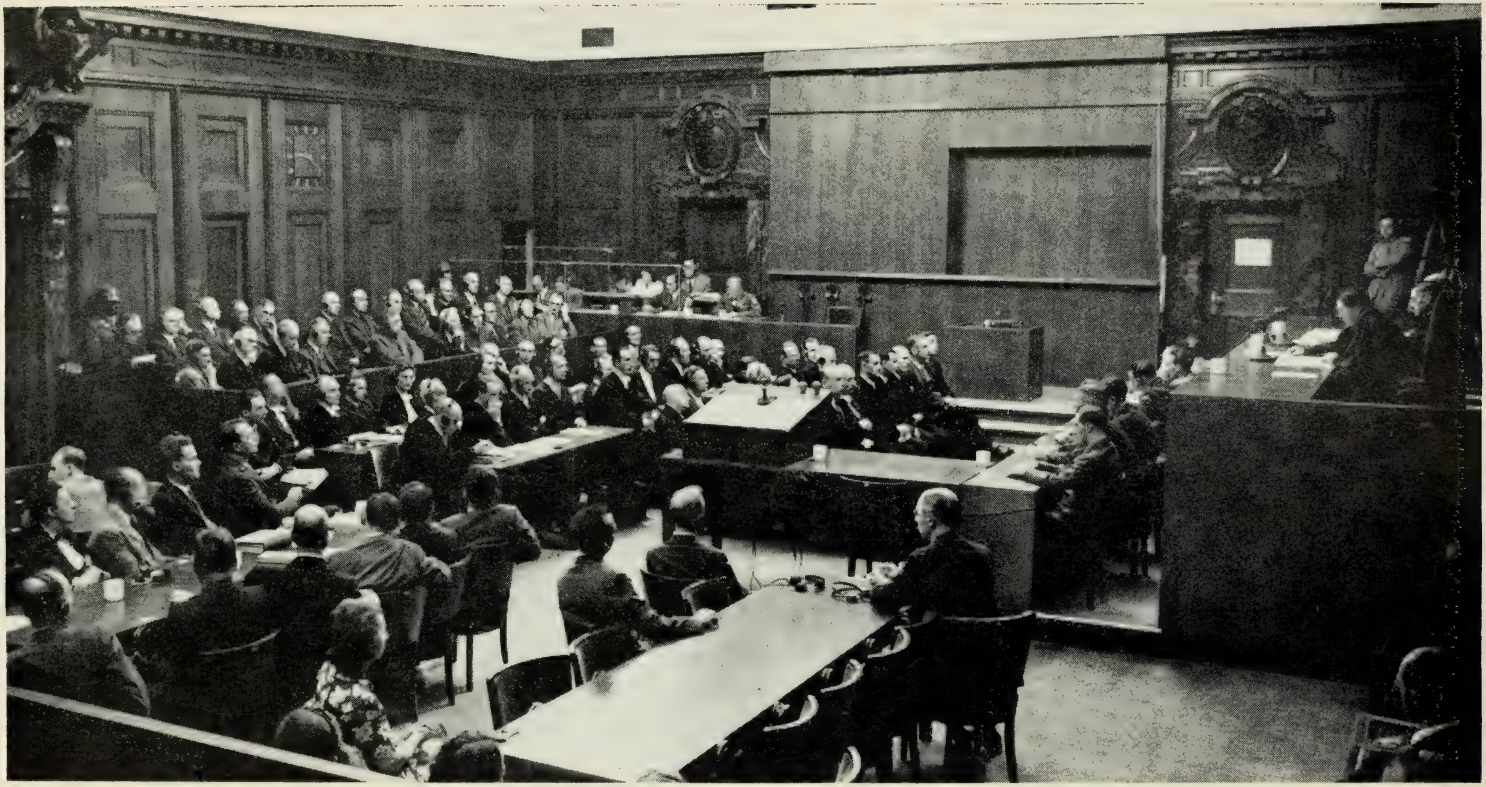
MR. JAN CHARMATZ
MRS. MARY KAUFMAN
ALBERT G. D. LEVY
MISS BELLE MAYER
MR. EMANUEL MINSKOFF
MR. RANDOLF NEWMAN
MR. VIRGIL VAN STREET

* Only those members of prosecution counsel who spoke before the Tribunal or who conducted examinations in the trial are listed. Other counsel acting in the preparation of the case for trial included Mr. James E. Heath (Chief, I. G. Farben Trial Team during the initial stages of trial preparation), Mr. Paul H. Gantt, Mr. Moses L. Kove, Mrs. Sally Zeck, and Mr. William A. Zeck.



TRIBUNAL VI—CASE SIX

James Morris; Curtis Grover Shake, Presiding; Paul M. Hebert; Clarence F. Merrell, Alternate.



Courtroom scene during the reading of the judgment. Upper left: Interpreters' booth. Upper left under clock: Defendants in the dock. Directly below defendants' dock, defense counselors. In foreground: Members of the prosecution staff. At right: Judges' bench, Judge Paul Hebert reading the judgment.

The defendants in the dock are, left to right: (front row) Carl Krauch, Hermann Schmitz, Georg von Schnitzler, Fritz Gajewski, Heinrich Hoerlein, August von Knieriem, Fritz ter Meer, Christian Schneider, Otto Ambros, Ernst Buergin, and Heinrich Buetefisch; (back row) Paul Haefliger, Max Ilgner, Friedrich Jaehne, Hans Kuehne, Wilhelm Rudolf Mann, Heinrich Oster, Walter Duerrfeld, Heinrich Gattineau, Eric von der Heyde, Hans Kugler. Defendants Carl Lautenschlaeger and Carl Wurster were absent.

Prosecution's table at the reading of the judgment. Seated at left of table, top to bottom: Otto Heilbrunn, Virgil van Street, Emanuel Minskoff, and Morris Amchan, Associate Counsel; Josiah E. Du Bois, Jr., Deputy Chief Counsel; Right of table: Erna E. Uiberall. Adm. Asst.; Mrs. Mary Kaufman and Randolf Newman, Associate Counsel; Drexel A. Sprecher, Chief, I. G. Farben Trial Team, Brigadier General Telford Taylor, Chief of Counsel for War Crimes, and Benjamin B. Ferencz.

DEFENSE COUNSEL[1]

Defendants	*Defense Counsel*	*Associate Defense Counsel*
AMBROS, OTTO	DR. FRITZ DRISCHEL (to 15 December 1947)	DR. GERNOT GATHER (to 9 September 1947)
	DR. KARL HOFFMANN (from 15 December 1947)	DR. WOLFGANG ALT (from 9 September 1947)
		DR. HERMANN MUENZEL (from 2 April 1948 to 15 June 1948)
BRUEGGEMANN, MAX	DR. THEODOR KLEFISCH	
BUERGIN, ERNST	DR. WERNER SCHUBERT	WOLFGANG THEOBALD
BUETEFISCH, HEINRICH	DR. HANS FLAECHSNER	DR. HEINZ REINTGES (to 8 January 1948)
		DR. WERNER BROSS (from 8 January 1948)
DUERRFELD, WALTER	DR. ALFRED SEIDL	HEINZ TRABANDT
GAJEWSKI, FRITZ	DR. ERNST ACHENBACH (to 1 February 1948)	DR. CARL WEYER
	DR. WOLFRAM VON METZLER (from 1 February 1948)	
GATTINEAU, HEINRICH	DR. RUDOLF ASCHENAUER	DR. HELMUT DUERR
HAEFLIGER, PAUL	DR. WALTER VINASSA[2] (to 28 January 1948)	DR. WOLFRAM VON METZLER (to 28 January 1948)
	DR. WOLFRAM VON METZLER (from 28 January 1948)	DR. WALTER VINASSA (from 28 January 1948)
HEYDE, ERICH VON DER	DR. KARL HOFFMANN	DR. WALTER BACHEM (from 22 August 1947)
		DR. JOSEF KOESSL (from 2 April 1948)
HOERLEIN, HEINRICH	DR. FRITZ SAUTER (to 26 May 1947)	DR. HEINRICH HENDUS (from 2 April 1948 to 5 May 1948)

[1] The number of persons approved as principal or assistant defense counsel or as members of the general staff of defense counsel in the Farben case (68) was exceeded only by the number in the Ministries case (77). However, not all of this staff was employed at any one time. See section XIII G, "Defense Counsel," vol. XV, this series.

[2] Dr. Vinassa, a Swiss attorney, spent little time in Nuernberg, whereas Dr. von Metzler was almost constantly in Nuernberg, frequently addressed the Tribunal, and conducted many examination of witnesses. Accordingly, the Tribunal, on 28 January 1948, approved a defense application pursuant to which the positions of Dr. Vinassa and Dr. von Metzler, as principal and associate defense counsel for defendant Haefliger, were reversed.

Defendants	*Defense Counsel*	*Associate Defense Counsel*
	DR. OTTO NELTE (from 26 May 1947)	DR. ERNST BRAUNE (from 5 May 1948 to 12 June 1948)
ILGNER, MAX	DR. HANS LATERNSER (to 13 August 1947)	DR. WALTER BACHEM (to 22 August 1947)
	DR. HERBERT NATH (from 13 August 1947)	DR. JOACHIM LINGENBERG (from 22 August 1947)
		DR. AGNES NATH-SCHREIBER (from 13 January 1948)
JAEHNE, FRIEDRICH	DR. OSKAR KRAUSS (to 3 December 1947)	DR. ADOLF P. EISEMANN (from 21 November 1947)
	DR. HANS PRIBILLA (from 3 December 1947)	DR. OSKAR KRAUSS (from 3 December 1947 to 31 May 1948)
KNIERIEM, AUGUST VON	DR. HORST PELCKMANN	FRIEDRICH SILCHER
KRAUCH, CARL	DR. CONRAD BOETTCHER	PROF. DR. EDUARD WAHL* (to 3 September 1947)
		DR. HEINRICH VON ROSPATT (from 11 September 1947)
KUEHNE, HANS	DR. GUENTHER LUMMERT (to 5 May 1948)	DR. GUENTHER HINDEMITH
	DR. HERBERT NATH (from 5 May 1948)	DR. ERNA KROEN (from 22 July 1947)
KUGLER, HANS	DR. HELMUT HENZE	DR. HEINRICH VON ROSPATT (to 11 September 1947)
		DR. LEOPOLD KRAFFT VON DELLMENSINGEN (from 13 October 1947)
LAUTENSCHLAEGER, CARL	DR. FRITZ SAUTER (to 26 May 1947)	DR. HELMUT EISENBLAETTER
	DR. HANS PRIBILLA (from 26 May 1947)	
MANN, WILHELM	DR. ERICH BERNDT	DR. ROLF W. MUELLER (from 22 August 1947 to 17 October 1947)
MEER, FRITZ TER	DR. ERICH BERNDT	CHRISTIAN TUERCK

* On 3 September 1947, Dr. Wahl became a special counsel for all defendants on questions of international law.

Defendants	*Defense Counsel*	*Associate Defense Counsel*
	DR. MARTIN CREMER* (from 13 October 1947 to 15 December 1947)	KARL BORNEMANN (from 13 October 1947 to 15 December 1947)
	KARL BORNEMANN (from 15 December 1947)	DR. HERMANN MUENZEL (from 15 December 1947 to 1 April 1948)
		DR. ERNST BRAUNE (from 28 April 1948 to 5 May 1948)
OSTER, HEINRICH	DR. HELMUT HENZE	DR. WOLFGANG HEINTZELER
		DR. GERNOT GATHER (from 9 September 1947)
SCHMITZ, HERMANN	DR. OTTO KRANZBUEHLER (to 3 October 1947)	HANNS GIERLICHS
	DR. RUDOLF DIX (from 3 October 1947)	GUENTHER LUMMERT (from 4 May 1948)
SCHNEIDER, CHRISTIAN	DR. HELLMUTH DIX	RUPPRECHT STORKEBAUM
SCHNITZLER, GEORG VON	DR. WALTER SIEMERS	DR. RUPPRECHT VON KELLER
WURSTER, CARL	FRIEDRICH WAGNER	DR. WOLFGANG HEINTZELER (from 8 September 1947)
Special Counsel for all Defendants	PROF. DR. EDUARD WAHL (from 3 September 1947)	DR. JULIUS FEHSENBECKER (from 30 October 1947)
Administrative Assistant	DR. ROLF W. MUELLER (from 21 October 1947)	
General Staff of Defense Counsel	DR. HERMANN WALTER (from 20 January 1948)	DR. ADALBERT JOPPICH (from 16 December 1947)
	DR. FRITZ NAUMANN (from 8 December 1947 to 12 June 1948)	DR. KARL HAESELER (from 8 December 1947 to 12 June 1948)
	DR. JOSEF NIEMANN (from 10 December 1947 to 24 April 1948)	KARL HEINZ HAEFELE (from 15 December 1947 to 12 June 1948)
	DR. HUGO SCHRAMM (from 15 January 1948)	GEBHARD WILHELMI (to 9 March 1948)
		DR. EMIL SECHERLING (from 9 March 1948)

* Since Dr. Berndt was principal counsel for both defendants ter Meer and Mann, the Tribunal approved an application whereby defendant ter Meer had two principal counsel after 13 October 1947. Because of illness, Dr. Cremer was replaced by Mr. Bornemann as co-counsel for defendant ter Meer on 15 December 1947.

I. INDICTMENT

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INTRODUCTION

The United States of America, by the undersigned Telford Taylor, Chief of Counsel for War Crimes, duly appointed to represent said Government in the prosecution of war criminals, charges that the defendants herein committed crimes against peace, war crimes and crimes against humanity, and participated in a common plan or conspiracy to commit said crimes, all as defined in Control Council Law No. 10, duly enacted by the Allied Control Council on 20 December 1945. These crimes included planning, preparing, initiating, and waging wars of aggression and invasions of other countries, as a result of which incalculable destruction was wrought throughout the world, millions of people were killed and many millions more suffered and are still suffering; deportation to slave labor of members of the civilian population of the invaded countries and the enslavement, mistreatment, terrorization, torture, and murder of millions of persons, including German nationals as well as foreign nationals; plunder and spoliation of public and private property in the invaded countries pursuant to deliberate plans and policies, intended not only to strengthen Germany in launching its invasions and waging its aggressive wars and secure the permanent economic domination by Germany of the Continent of Europe, but also to expand the private empire of the defendants; and other grave crimes as set forth in this indictment.

The persons accused as guilty of these crimes and accordingly named as defendants in this case are the following officials of I.G. Farbenindustrie Aktiengesellschaft (Hereinafter referred to as "Farben" in the English text and "IG" in the German text):

CARL KRAUCH—Chairman of the Aufsichtsrat (Supervisory Board of Directors) of Farben; Generalbevollmaechtigter fuer

Sonderfragen der Chemischen Erzeugung (General Plenipotentiary for Special Questions of Chemical Production) on Goering's staff in the Office of the Four Year Plan.

HERMANN SCHMITZ—Chairman of the Vorstand (Managing Board of Directors) of Farben; Member of the Reichstag; Director of the Bank of International Settlements.

GEORG VON SCHNITZLER—Member of the Central Committee of the Vorstand of Farben; Chief of the Commercial Committee of the Vorstand, which planned and directed Farben's domestic and foreign sales and commercial activities; Wehrwirtschaftsfuehrer (Military Economy Leader); Hauptsturmfuehrer (Captain) in the Sturmabteilungen (SA) of the NSDAP.

FRITZ GAJEWSKI—Member of the Central Committee of the Vorstand of Farben; Chief of Sparte III (Division III) in charge of production of photographic materials and artificial fibres; Manager of "Agfa" plants; Wehrwirtschaftsfuehrer.

HEINRICH HOERLEIN—Member of the Central Committee of the Vorstand of Farben; Chief of chemical research and development of vaccines, sera, pharmaceuticals, and poison gas; Manager of the Elberfeld Plant.

AUGUST VON KNIERIEM—Member of the Central Committee of the Vorstand of Farben; Chief Counsel of Farben; Chairman, Legal and Patent Committees.

FRITZ TER MEER—Member of the Central Committee of the Vorstand of Farben; Chief of the Technical Committee of the Vorstand, which planned and directed all of Farben's production; Chief of Sparte II in charge of production of Buna, poison gas, dyestuffs, chemicals, metals, and pharmaceuticals; Wehrwirtschaftsfuehrer.

CHRISTIAN SCHNEIDER—Member of the Central Committee of the Vorstand of Farben; Chief of Sparte I in charge of production of nitrogen, gasoline, Diesel and lubricating oils, methanol and organic chemicals; Chief of Central Personnel Department, directing the treatment of labor at Farben plants; Wehrwirtschaftsfuehrer; Hauptabwehrbeauftragter (Chief of Intelligence Agents); Hauptbetriebsfuehrer (Chief of Plant Leaders); supporting member of the Schutzstaffeln (SS) of the NSDAP.

OTTO AMBROS—Member of the Vorstand of Farben; Chief of Chemical Warfare Committee of the Ministry of Armaments and War Production; Production Chief for Buna and poison gas; Manager of Auschwitz, Schkopau, Ludwigshafen, Oppau, Gendorf, Dyhernfurth, and Falkenhagen plants; Wehrwirtschaftsfuehrer.

MAX BRUEGGEMANN—Member and Secretary of the Vorstand of Farben; Member of the Legal Committee; Deputy Plant Leader

of the Leverkusen Plant; Deputy Chief of the Sales Combine Pharmaceuticals; Director of the Legal, Patent, and Personnel Departments of the Works Combine Lower Rhine.

ERNST BUERGIN—Member of the Vorstand of Farben; Chief of Works Combine Central Germany; Betriebsfuehrer (Plant Leader) at Bitterfeld and Wolfen-Farben plants; Production Chief for light metals, dyestuffs, organic intermediates, plastics, and nitrogen at these plants.

HEINRICH BUETEFISCH—Member of the Vorstand of Farben; Manager of Leuna Plants; Production Chief for gasoline, methanol, and chlorine electrolysis production at Auschwitz and Moosbierbaum; Wehrwirtschaftsfuehrer; Member of the Himmler Freundeskreis (Circle of Friends of Himmler); Obersturmbannfuehrer (Lieutenant Colonel) in the SS.

PAUL HAEFLIGER—Member of the Vorstand of Farben; Member of the Commercial Committee; Chief, Metals Departments, Sales Combine Chemicals.

MAX ILGNER—Member of the Vorstand of Farben; Chief of Farben's Berlin N.W. 7 office, directing intelligence, espionage, and propaganda activities; Member of the Commercial Committee; Wehrwirtschaftsfuehrer.

FRIEDRICH JAEHNE—Member of the Vorstand of Farben; Chief Engineer in charge of construction and physical plant development; Chairman of the Engineering Committee; Deputy Chief, Works Combine Main Valley.

HANS KUEHNE—Member of the Vorstand of Farben; Chief of the Works Combine Lower Rhine; Plant Leader at Leverkusen, Elberfeld, Uerdingen, and Dormagen plants; Production Chief for inorganics, organic intermediates, dyestuffs, and pharmaceuticals at these plants; Chief of the Inorganics Committee.

CARL LAUTENSCHLAEGER—Member of the Vorstand of Farben; Chief of Works Combine Main Valley; Plant Leader at Hoechst, Griesheim, Mainkur, Gersthofen, Offenbach, Eystrup, Marburg, Neuhausen Plants; Production Chief for nitrogen, inorganics, organic intermediates, solvents and plastics, dyestuffs, and pharmaceuticals at these plants.

WILHELM MANN—Member of the Vorstand of Farben; Member of the Commercial Committee; Chief of the Sales Combine Pharmaceuticals; Member of the SA.

HEINRICH OSTER—Member of the Vorstand of Farben; Member of the Commercial Committee; Manager of the Nitrogen Syndicate.

CARL WURSTER—Member of the Vorstand of Farben; Chief of the Works Combine Upper Rhine; Plant leader at Ludwigshafen

and Oppau plants; Production Chief for inorganic chemicals; Wehrwirtschaftsfuehrer.

WALTER DUERRFELD—Director and Construction Manager of the Auschwitz Plant of Farben; Director and Construction Manager of the Monowitz Concentration Camp; Chief Engineer at the Leuna Plant.

HEINRICH GATTINEAU—Chief of the Political-Economic Policy Department, "WIPO," of Farben's Berlin N.W. 7 office; Member of Southeast Europe Committee; Director of A.G. Dynamit Nobel, Pressburg, Czechoslovakia.

ERICH VON DER HEYDE—Member of the Political-Economic Policy Department of Farben's N.W. 7 Office; Deputy to the Chief of Intelligence Agents; Hauptsturmfuehrer (Captain) in the SS; Member of the WI-RUE-AMT (Military Economics and Armaments Office) of the OKW (High Command of the Wehrmacht).

HANS KUGLER—Member of the Commercial Committee of Farben; Chief of the Sales Department Dyestuffs for Hungary, Rumania, Yugoslavia, Greece, Bulgaria, Turkey, Czechoslovakia, and Austria; Public Commissar for the Falkenau and Aussig plants in Czechoslovakia.

COUNT ONE—PLANNING, PREPARATION, INITIATION AND WAGING OF WARS OF AGGRESSION AND INVASIONS OF OTHER COUNTRIES

STATEMENT OF THE OFFENSE

1. All of the defendants, acting through the instrumentality of Farben and otherwise, with divers other persons, during a period of years preceding 8 May 1945, participated in the planning, preparation, initiation, and waging of wars of aggression and invasions of other countries, which wars of aggression and invasions were also in violation of international laws and treaties. All of the defendants held high positions in the financial, industrial, and economic life of Germany and committed these crimes against peace, as defined by Article II of Control Council Law No. 10, in that they were principals in, accessories to, ordered, abetted, took a consenting part in, were connected with plans and enterprises involving, and were members of organizations or groups, including Farben, which were connected with the commission of said crimes.

2. The invasions and wars of aggression referred to in the pre-

ceding paragraph were as follows: against Austria, 12 March 1938; against Czechoslovakia, 1 October 1938, and 15 March 1939; against Poland, 1 September 1939; against the United Kingdom and France, 3 September 1939; against Denmark and Norway, 9 April 1940; against Belgium, the Netherlands and Luxembourg, 10 May 1940; against Yugoslavia and Greece, 6 April 1941; against the U.S.S.R., 22 June 1941; and against the United States of America, 11 December 1941.

3. In these invasions and wars of aggression, many millions of people were murdered, tortured, starved, enslaved, and robbed; millions of homes were left in ruins; tremendous industrial capacity necessary to maintain the standard of living of peoples all over the world was destroyed; agricultural land capable of feeding millions of people was laid in waste; and a large part of the world was left in economic and political chaos. The life and happiness of all peoples of the world were adversely affected as the result of these invasions and wars of aggression.

PARTICULARS OF THE DEFENDANTS' PARTICIPATION IN THE PLANNING, PREPARATION, INITIATION AND WAGING OF WARS OF AGGRESSION AND INVASIONS OF OTHER COUNTRIES

A. The Alliance of Farben with Hitler and the Nazi Party

4. In 1921, Adolf Hitler became the supreme leader, or Fuehrer, of the National Socialist German Workers Party, also known as the Nazi Party. The main points of the Nazi Party program, which remained unaltered until the Party's dissolution in 1945, were to abrogate and overthrow the Treaties of Versailles and Saint Germain, and reconstitute the Wehrmacht; to acquire territories lost by Germany as the result of World War I; to acquire all other territories in Europe assertedly occupied by so-called "racial Germans"; and to acquire such other territories in the world as might be "needed" by the Germans for "Lebensraum." The Nazis proclaimed that persons of so-called "German blood" were a "master race" and were entitled to subjugate, dominate, and exterminate other "races" and peoples, and that war was a noble and necessary German activity. The Nazis proposed to achieve their ends by any means deemed opportune, including resort to force and aggressive war. The policies and program of the Nazi Party were continually and publicly reiterated and were matters of common knowledge.

5. Farben was a power in the world a generation before the Nazis. In 1925, Farben was not only the greatest industrial combine ever formed in Germany but one of the greatest in the world. By 1939, its size more than doubled, Farben surpassed any single industrial group in Germany in technological and financial influence and in the magnitude of its interests and affiliations. Farben's domestic participations comprised some 400 German firms, including manufacturing plants, sales companies, and power installations. Farben owned its own railroads, lignite and bituminous coal mines, electric power plants, coke ovens, and magnesite, gypsum, and salt mines. Farben's foreign participations numbered over 500 firms, and its foreign manufacturing plants and holding companies blanketed Europe. Farben's sales companies, research firms, and other agencies were located in every important commercial and industrial center in the world.

6. Hitler, with his program of war, and Farben, which could make Germany (with very scanty natural resources essential for war aside from coal) self-sufficient for war, found a basis for close collaboration as early as 1932. The Farben leaders and other industrialists saw the Nazi movement growing and saw in it the opportunity to extend their economic dominion.

7. About November 1932, the defendants Buetefisch and Gattineau, representing Farben, visited Hitler in Munich and discussed the question whether Farben could look to him and his Party for support in the development of the Farben hydrogenation process for producing synthetic gasoline. Farben had been contemplating abandonment of its costly synthetic production and research. Hitler informed the Farben representatives that he would support them in the development of the hydrogenation process, and assured them that synthetic gasoline fitted into his program.

8. In the Reichstag election of 6 November 1932, the Nazi Party lost two million votes and 34 seats. At this point, the Nazi Party was in a critical situation. Large bills were unpaid and the coffers were empty. On 8 December 1932, Joseph Goebbels wrote in his diary: "Severe depression prevails *** financial troubles make all organized work impossible *** the danger now exists of the whole Party going to pieces." At the crucial moment, many leading industrialists rallied to the assistance of the Nazis.

9. On 4 January 1933, a meeting was held at the Cologne home of the banker, Baron Kurt von Schroeder, for the purpose of forming an alliance between Franz von Papen and Adolf Hitler. As a result of the meeting, von Papen repeatedly discussed with Hindenburg the formation of a Cabinet with Hitler as Chancellor and von Papen as Vice Chancellor. On 30 January 1933, Hinden-

burg appointed Adolf Hitler Chancellor of Germany. The impending Reichstag election of 5 March 1933 presented a crucial test of Hitler's power.

10. On 20 February 1933, the defendant von Schnitzler, representing Farben, met Hitler at Goering's Berlin house. He found there Gustav Krupp von Bohlen und Halbach, head of the Krupp armaments combine and President of the Reich Association of German Industry, and other leading representatives of German industry. Hitler declared his treasonable purpose to seize power by violence if he failed to win it by votes. Among other things he stated that: Private enterprise cannot be maintained in the age of democracy; when the defense of the existing order is left to a majority, it will irretrievably go under; it is the noblest task of a leader to find ideals that are stronger than the factors that pull the people apart; he found them in nationalism, in the denial of reconciliation between nations, in the strength and power of individual personality; if one rejects pacifism, one must offer a new idea in its place immediately; we must not forget that all the benefits of culture must be introduced more or less with an iron fist, just as once upon a time the farmers were forced to plant potatoes; we must first gain complete power if we want to crush the other side completely; only when one knows that one had reached the pinnacle of power, that there is no further possible upward development, shall one strike; now we stand before the last election; regardless of the outcome, there will be no retreat; if the election does not decide, the decision must be brought about even by other means; there are only two possibilities, either to crowd back the opponent on constitutional grounds, and for this purpose once more this election, or a struggle will be conducted with other weapons, which may demand greater sacrifices; the question of restoration of the Wehrmacht will not be decided at Geneva, but in Germany.

11. At the conclusion of the speech, Goering asked for money, saying that, "The sacrifice asked for would be so much easier for industry to bear if it realized that the election of 5 March would surely be the last one for the next ten years, probably even for the next hundred years." Krupp then expressed to Hitler the industrialists' "gratitude for having given us such a clear picture of his ideas."

12. Farben answered Hitler's request for aid with a gift of 400,000 reichsmarks, the largest contribution by a single firm that resulted from the meeting. The financial support thus given to the Nazis prompted Goering to state that in the election "we had the support of all industry."

13. With the knowledge that he could count on the backing and

loyalty of Farben and other sections of industry, Hitler moved rapidly to dictatorship. Seven days after the meeting at Goering's house, a decree was enacted suspending constitutional guarantees of freedom and giving Hitler power to arrest persons and hold them in "protective custody." In the 5 March election, Hitler won 44 percent of the total vote, which, together with the Hugenberg vote and the forcible exclusion of the Communist deputies, gave Hitler a majority in the Reichstag. When the Reichstag met on 21 March, Hitler introduced the Enabling Act, giving him full legislative powers, including the power to deviate from the Constitution. He made it clear that further forceful measures would be taken if the Enabling Act were not passed. It passed.

14. Hitler had yet to consolidate his dictatorial power by destroying the forces of freedom in Germany before he assaulted freedom in the world. Immediately Hitler needed more money for "Party" purposes. The special organizations of the Party, such as the SS and SA, were heavy burdens on the Party treasury. Farben made substantial contributions to support and further these activities.

15. Industry organized to support Hitler's political program, including rearmament and territorial aggrandizement. In April 1933, the Reich Association of German Industry, of which Farben was a member, submitted to Hitler a plan for the reorganization of German industry according to the Fuehrerprinzip (leadership principle). In transmitting the plan, Gustav Krupp stated that "the turn of political events is in line with the wishes which I, myself, and the Board of Directors have cherished for a long time. In reorganizing the Reich Association of German Industry, I shall be guided by the idea of bringing the new organization into agreement with the political aims of the German Government."

16. Hitler now made good to Farben the promise he had given in 1932. In December 1933, Farben entered into an agreement with the German Government for the enlargement of its synthetic gasoline plants. All the increased production was guaranteed by the government, as to both price and sales. At the same time, Farben began discussions with the government and its military agencies on synthetic rubber research and began construction of a secret magnesium plant.

17. In 1934, Farben began to work even more closely with the Wehrmacht in the rearmament program, and conferences with the military "became more and more numerous and urgent." Construction was started on secret stand-by plants for the production of magnesium and explosives. In 1935, Farben plants began to prepare detailed plans for war production and mobilization. "War Games" were conducted to determine the effect of bombing of

factories on production and speed of replacement. Drastic secrecy measures were imposed at the direction of the Reich War Ministry with respect to all war production in Farben plants, including poison gas production.

18. As a result of the basis for collaboration established between Hitler and Farben in 1932, Farben concentrated its vast resources on the creation and equipment of the German military machine for war, invented new production processes, and produced huge quantities of materials of war, including synthetic rubber, synthetic gasoline, explosives, methanol, nitrates, and other critical materials. Without them Germany could not have initiated and waged aggressive war. In order to accomplish this gigantic task, there took place between 1933 and 1939 a tremendous expansion of Farben's manufacturing facilities far in excess of the needs of a peacetime economy, undertaken with the encouragement and support of the Third Reich and financed primarily by the government. Having played an indispensable role in preparing Germany for aggressive wars, Farben then played an indispensable role in the waging of such wars. Throughout the entire period, Farben contributed vast amounts annually to the NSDAP, its various organizations, and to numerous special projects of Hitler, Himmler, and other Nazi leaders for the purpose of maintaining the NSDAP in power and financing its criminal activities. Farben reaped huge profits and benefits as a result of the alliance which it established with Hitler in 1932 and which was broken only by force of arms in May 1945.

B. Farben Synchronized All of its Activities With the Military Planning of the German High Command

19. Farben cooperated with Hitler in his earliest efforts to build up a vast military machine in violation of the Versailles Treaty. This intimate cooperation made it necessary for Farben to work closely with the Wehrmacht. By 2 September 1935, Farben's activities fell so exclusively in the military domain that Farben's Central Committee of the Vorstand found it essential to establish in Berlin a military liaison agency, the Vermittlungsstelle W, for the sole purpose of "providing in the establishment of military economy for a systematic cooperation within the IG and particularly for a centralized treatment of questions of military policy and military technics." The functions of this agency were to coordinate the work of the existing plants with the general mobilization plan so that in case of war Farben could regulate itself without outside interference, to handle all research problems relating to military production, and to discuss with the military agen-

cies experiments in Farben laboratories for the development and production of offensive weapons. Such activities had been carried on for some time by the defendant Krauch in the production of synthetic gasoline, nitrogen, and other products. Farben records of 1935 declared the purpose of Vermittlungsstelle W to be "the building up of a tight organization for armament in the IG, which could be inserted without difficulty into the existing organization of the IG and the individual plants. In the case of war, I.G. Farben will be treated by the authorities concerned with armament questions as one big plant which, in its task for armament, as far as it is possible to do so from the technical point of view, will regulate itself without any organizational influence from outside." The importance of this new organization to Farben is shown by the fact that the Vorstand placed at its head Farben's top scientist, the defendant Carl Krauch.

20. One of the first responsibilities given to the Vermittlungsstelle W by the Wehrmacht was the enforcement of stringent security measures in Farben, designed to enable Germany to arm for war with as little notice as possible to the outside world. This security was of the most far-reaching nature and covered all of Farben's operations connected with rearmament, including production, contracts for production, patents, research, and experimentation in the military field. This covered poison gas, explosives, and other military items. On 2 January 1936, on instructions from the defendant ter Meer, a department for counterintelligence service, defense against spying, sabotage, and betrayal of working secrets was established in the Vermittlungsstelle W, which worked in close cooperation with the intelligence service of the Wehrmacht.

21. One purpose of the Vermittlungsstelle W was to assure secrecy, particularly in the field of patents. Farben records state: "The High Command of the Wehrmacht, Military Economic Staff, has frequently pointed out in discussions with respect to the necessity of keeping patent applications of IG secret—whether or not these patents resulted from the joint experimental work of the IG with the Army officers or from IG's own initiative—that the Army is prepared to indemnify and underwrite any damages arising from this enforced secrecy or arising from the fact that these patents cannot be exploited."

22. By 1934, Farben had worked out detailed plans for defending their plants against air raids. In 1935, the Vermittlungsstelle W supervised Kriegsspiele or "War Games," to determine the effect of bombing on certain factories and the speed of replacement, and to train the Luftwaffe in precision bombing. The Vermittlungsstelle W also acted as intermediary between Farben and

the government in the preparation of mobilization plans for Farben's plants. These plans set forth the production programs which each factory could undertake in the event of war. They were discussed in the Vorstand, and instructions were issued to every Farben plant to prepare and deliver production plans to the Vermittlungsstelle W, which submitted them to the Ministries of War and Economics. Farben's preparations for economic mobilization were so well developed that the military authorities used them as a basis for general war mobilization plans.

23. September 1939, and the invasion of Poland, found Farben long since converted to a wartime footing. The fact that Germany had formally gone to war required no more than a telegram from Vermittlungsstelle W, dated 3 September 1939: "At the order of the Reich Economics Ministry, Dr. Ungewitter just ordered all IG plants to switch at once to the production outlined in the mobilization program. The minimum production recently fixed for Ludwigshafen and Oppau also goes into effect immediately with small changes. So far as the reserves of workers presenting themselves at Ludwigshafen and Oppau cannot be utilized effectively in the plant, they are to remain in readiness for employment elsewhere within IG. Our plants have been notified by telegram."

24. All of the aforegoing activities constituted vital planning and preparation for aggressive war. The defendant von Schnitzler has stated: "***with the increased tempo after 1936, the Wehrmacht became the prominent factor in the whole picture. Since 1934, a strong movement for investments in our plants for commodities of decisive military importance became more and more pronounced with the main objective of increasing the military potential of Germany. At first, autarchic principles to make Germany independent of importation from abroad was one of the leading objectives. Since 1936, the movement took an entirely military character and military reasons stood in the foreground. Hand in hand with this, the relations between IG and the Wehrmacht became more and more intimate and a continuous union between IG officials on the one side and the Wehrmacht representatives on the other side was the consequence of it."

C. Farben Participated in Preparing the Four Year Plan and in Directing the Economic Mobilization of Germany for War

25. Rearmament and reconstitution of the Wehrmacht were indispensable to Hitler's plans for conquest. In April 1936, just after German troops entered the demilitarized zone of the Rhineland, Hitler appointed Goering as Coordinator for Raw Materials and Foreign Exchange and empowered him to supervise all State

and Party activities in these fields. In this capacity, Goering, on 26 May 1936, addressed a meeting of the Committee of Experts for Raw Materials Questions, his principal advisers. The defendant Schmitz attended that meeting together with representatives of the Ministries of War and Air, and other high government officials. Supply questions vital to "A-Fall" (the code name for "Case of War") were discussed. Goering emphasized that, once at war, Germany would be cut off from all oil imports; that since a mechanized army and navy were dependent upon oil, the entire waging of war hinged on the solution of the oil problem. Goering also declared that "rubber is our weakest point" and indicated that considerations of cost were "immaterial." Every subject, including oil and rubber, was discussed at the meeting in the light of military requirements for waging war.

26. Shortly thereafter, Carl Bosch, then president of Farben, recommended to Goering that he retain the defendant Krauch to advise him in the planning and control of the chemical sector of the rearmament program. Krauch was put in charge of research and development in Goering's newly created Office for German Raw Materials and Synthetics.

27. On 8 September 1936, at the Nazi Party rally in Nuernberg, Hitler announced the establishment of the Four Year Plan and the appointment of Goering as the plenipotentiary in charge. The purpose of the Four Year Plan was to make Germany ready for war in four years. The Office of the Four Year Plan was charged with working out complete programs for the development of plant capacity in all fields vital to war mobilization, including chemicals, rubber, gasoline, and explosives. In a memorandum to Goering explaining the objectives of the Four Year Plan, Hitler stated that the final solution of Germany's problem lay in the acquisition of new territories; that such acquisition was the task of "the political leadership"; that in order for "the political leadership" to exercise its responsibilities, the German economy had to be mobilized for the purpose of making Germany self-sufficient in critical war materials.

28. On 17 December 1936, in Hitler's presence, Goering made a speech in the Preussenhaus in Berlin in which he explained to a large audience of government officials and industrialists the aims of the Four Year Plan. Bosch and the defendants Krauch and von Schnitzler were present. Goering made clear the intention and decision of the Nazi government to wage war. He said among other things: "The battle which we are approaching demands a colossal measure of productive ability. No limit on the rearmament can be visualized. The only alternative in this case is victory or destruction. If we win, business will be sufficiently compen-

sated." He ended his speech: "Our whole nation is at stake. We live in a time when the final battle is in sight. We are already on the threshold of mobilization and we are already at war. All that is lacking is the actual shooting." On 22 December 1936, von Schnitzler made a confidential report to the responsible officials of Farben on Hitler's and Goering's speeches "regarding the responsibilities of the German economy in the application of the Four Year Plan."

29. The defendant Krauch was appointed Chief of the Department for Research and Development in the Office of the Four Year Plan, the department responsible for preparing plans to make Germany self-sufficient for war. Krauch participated in numerous conferences devoted to military planning at which Goering and other high officials of the Third Reich were present. These meetings related to all phases of military mobilization and were not limited to the chemical field. For example, on 16 June 1937, a conference was held among government officials and representatives of the iron and steel industry. Krauch represented the Office for German Raw Materials. Goering called for huge increases in iron production and reduction in the export of semi-finished iron products. He stated that the purpose of the Four Year Plan was to create a foundation upon which preparation for war might be accelerated; that warships, guns, ammunition, and munitions were to have first priority on iron; that the export of iron "may easily facilitate the armament of the enemy"; and that accordingly "the shipment of iron to the so-called enemy countries like England, France, Belgium, Russia, and Czechoslovakia" was to be prohibited.

30. In the summer of 1938, with the invasion of Czechoslovakia imminent, Goering intensified his economic measures in preparation for aggressive war. Farben took the initiative in reorganizing the chemical program outlined by the Four Year Plan in line with the requirements for waging war. Goering took his first measures to speed up the program for chemical warfare and explosives at Karinhall after the defendant Krauch had pointed out to him that the figures being relied on in preparation for war were incorrect, and the danger of planning war on an inaccurate basis. On 30 June 1938, Krauch and Goering worked out the so-called "Karinhall Plan," also called the "Krauch Plan," which contained a new program for producing chemical warfare agents (poison gas), explosives, rubber, and gasoline production. The administrative basis had been prepared by the defendant Ambros a few days prior thereto. Thereafter, Krauch was appointed by Goering as Plenipotentiary General of the Four Year Plan for Special Questions of Chemical Production and was vested with

the identical powers suggested by Ambros. Krauch was also appointed head of the "Reichsamt fuer Wirtschaftsausbau" (Reich Office for Economic Development). With the assistance of key technical men of Farben, Krauch prepared special mobilization plans for the chemical industry, including an allocation and priority system for labor and building materials.

31. On 14 October 1938, Goering announced to a conference of important government officials, at which the defendant Krauch and other representatives of the Four Year Plan were present, that Hitler had ordered him "to carry out a gigantic program compared to which previous achievements are insignificant." He stated that within the shortest possible time the Air Force must be increased fivefold, the Navy expanded, and large stocks of "offensive weapons, particularly heavy artillery pieces and heavy tanks" procured. Goering especially stressed the need for tremendous military production increases in the fields of fuel, powder, and explosives.

32. The defendant Krauch in his report of April 1939, on the Krauch Plan to the General Council of the Four Year Plan, outlining the progress of his production plans in the fields of oil, rubber, powder, explosives, and chemical warfare agents, stated: "When on 30 June 1938, the objectives of increased production in the spheres of work discussed here were outlined by the Field Marshal it seemed that the political leadership could determine independently the timing and extent of the political revolution in Europe and could avoid a rupture with a group of powers under the leadership of Great Britain. Since March of this year (the invasion of Czechoslovakia), there is no longer any doubt that this hypothesis does not exist any more." And at the end of his report: "If action does not follow upon these thoughts with the greatest possible speed, all sacrifices of blood in the next war will not spare us the bitter end which once before we have brought upon ourselves owing to lack of foresight and fixed purpose."

33. Throughout his employment in the Office of the Four Year Plan, the defendant Krauch continued as a member of the Vorstand of Farben until 1940, when he was appointed chairman of the Aufsichtsrat. Numerous officials and scientists of Farben assisted him in the Office of the Four Year Plan. The defendant Buetefisch advised Krauch on matters pertaining to synthetic gasoline; the defendant Ambros, on buna production; the defendant Wurster, on sulphuric acids; and the defendant Schneider, on nitrogen. Ninety percent of the employees in Krauch's office in the Four Year Plan were Farben personnel. In their capacity as government advisers on crucial war materials, Farben employees conferred continually with government officials on military plans.

Krauch and the other Farben technicians and scientists retained their positions with Farben and continued to receive their salaries from Farben while holding governmental positions.

34. The defendants herein, and other Farben officials and technicians held key positions in other German Government agencies and offices which participated in Germany's mobilization for war. The defendant Schmitz was a member of the Reichstag. He was also a member of the Board of Directors of the Reichsbank and president of its Currency Committee. The defendants von Schnitzler, Gattineau and Mann were members of the Council for Propaganda of the German Economy. In the Ministry of Armaments and War Production, the defendant Ambros was in charge of buna production and the Chemical Warfare Committee; the defendant Buetefisch headed the Hydrogenation Committee and the Economic Group for Liquid Fuels; the defendant Wurster was in charge of sulphur and sulphuric compounds production. Farben employees were also employed in the High Command of the Wehrmacht, the Labor Front, the Ministry of Aviation, and the Military Economics and Armaments Office of General Thomas. Numerous Farben officials abroad held leading positions in the Auslandsorganisation (the Foreign Organization) of the NSDAP, and other government and Party organizations abroad.

35. From 1934 on, the Reichsgruppe Industrie (Reich Group Industry), representing all of German industry, and the Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry), exercised governmental powers in the planning of German mobilization for war. These Economic Groups, on behalf of the German High Command, prepared Germany's industrial mobilization plans in conjunction with the various industries. In the Reich Group Industry, the defendant Schmitz was a member of the Engerer Beirat (Advisory Council). The defendants Schmitz, von Schnitzler, and Jaehne were members of the Grosser Beirat (Greater Advisory Council). Farben was represented on all of the Group's important committees. In the Economic Group Chemical Industry, von Schnitzler was deputy chairman and member of the Engerer Beirat (Advisory Council). The defendant ter Meer was a member of the Praesidium. The Group was subdivided into "Fachgruppen" (Subgroups), many of which were directed by Farben officials, including the defendants Wurster, Oster, von Schnitzler, Ambros, and others.

36. Farben's domination of the chemical sector of the Four Year Plan and its role in the government as a whole was so well known that Farben was considered by Albert Speer to have been "promoted to governmental status" and was frequently referred to as "the State within the State."

D. Farben Participated in Creating and Equipping the Nazi Military Machine for Aggressive War

37. The major contribution which Farben rendered in the rearmament of Germany lay in making her capable of waging war by rendering her self-sufficient in three crucial war materials essential to the waging of aggressive war: nitrates, oil, and rubber. In all three cases Germany had no natural resources and was incapable of planning, preparing, or waging aggressive war without Farben's development of processes for manufacturing them synthetically.

38. Farben developed the Haber-Bosch process for the fixation of nitrogen from air. Nitrogen is the basic element in nitrates production. Farben became the largest nitrates producer in the world. Germany, through the instrumentality of Farben, not only became self-sufficient in nitrates, but prior to the war replaced Chile as the main source of supply for other countries. Farben and its subsidiaries produced 84 percent of Germany's explosives and 70 percent of Germany's gunpowder from its nitrogen production.

39. Germany had practically no natural oil. On 26 May 1936, Goering announced to the defendant Schmitz and the other members of the Committee of Experts for Raw Materials Questions, that the oil problem had to be solved to enable Germany to motorize the Wehrmacht and prepare for war. Farben developed the hydrogenation process whereby coal could be converted into lubricating oils and gasoline. As a result of the conference between Hitler and the defendants Buetefisch and Gattineau in 1932 (referred to in paragraph 7), Farben continued its developmental work which it had considered abandoning. By spring of 1933, Farben's quantity production of synthetic gasoline was well under way. A top technical official of Farben has stated: "After six years of efforts, IG solved the question of producing synthetic gasoline from brown coal on a large scale in the spring of 1933 *** the experience of IG in this field was absolutely necessary for the conduct of a prolonged war." In 1943, Farben produced all the lubricating oil manufactured in Germany, and its processes accounted for nearly all German production of synthetic gasoline. The hydrogenation of coal into gasoline by Farben enabled the Wehrmacht to plan and prepare for aggressive war based on the rapid movement of tanks and aircraft, notwithstanding Germany's deficiency in natural petroleum.

40. Germany had no natural rubber. Farben discovered that synthetic rubber could also be obtained from coal. This discovery, together with the production of synthetic gasoline, by a single

stroke made possible the mechanization of the Wehrmacht independently of foreign supplies. After Hitler came into power, efforts to produce synthetic rubber in sufficient quantities for the waging of war were greatly intensified. In 1942, Farben controlled 91.1 percent of synthetic rubber production throughout the world. In 1943, Farben accounted for 100 percent of Germany's total production of synthetic rubber. A top technical official of Farben has stated: "It would not have been possible to carry on the war for several years without IG's buna."

41. After Hitler's seizure of power, Farben developed another production program, unrelated to its usual lines of chemical production, which was indispensable to the creation of the Luftwaffe. This was the production of light metals used in the manufacture of aircraft and ordnance, of which magnesium and magnesium alloys were the most important. Farben increased its magnesium production between 1930 and 1942 by over 4,000 percent, and its aluminum production by over 1,300 percent.

42. Farben performed most of the research for the secret development of poison gas for war. The experiments were carried out by Farben employees under the direction of the defendants Hoerlein, Ambros, and ter Meer, in close cooperation with the Wehrmacht. In 1943, Farben produced 95 percent of the poison gas in Germany.

43. Thus, from 1933 to 1939, Farben marshaled for the German High Command the vitals of modern warfare. The defendant von Schnitzler declared: "It is no overstatement to say that modern warfare would be unthinkable without the results which the German chemical industry achieved under the Four Year Plan."

44. Farben's expansion after 1933 and the resultant increase in production was far in excess of the needs of a peacetime economy. Farben often took the initiative in persuading the Reich authorities of the need for additional facilities and negotiated with them for the construction thereof. Billions of reichsmarks, supplied principally by the German Government itself, were invested in new plants, mines, and power installations. In other cases the expansion program was, for particular purposes, undertaken at the request of representatives of the German military machine. In 1936, the Wehrmacht, which had requested the construction of numerous types of plants, guaranteed the purchase of all production therefrom. Expanded capacity and production meant increased sales. Farben's total sales (not including the sales of its subsidiaries), in 1932, amounted to approximately 900,000,000 reichsmarks. In 1943, they totalled 3,000,000,000 reichsmarks. Book profits rose from approximately 71,000,000 reichsmarks in 1932 to 571,000,000 reichsmarks in 1942. These

figures reflect only part of what Farben gained from aggressive war.

45. Farben was the core of Germany's military mobilization, not only by virtue of its own production but by virtue of its strategic position in the German economy. All other German chemical companies and numerous other German war industries were almost totally dependent upon the products, resources, and technological aid of Farben. German tanks, artillery, and armored vehicles rolled on Farben electron metal wheels, were shod with Farben buna rubber, and propelled by Farben synthetic gasoline. Nazi bombers were armored with Farben aluminum and magnesium alloys, carried death loads of Farben incendiary bombs and explosives, and were fueled by Farben high octane aviation gasoline.

E. Farben Procured and Stockpiled Critical War Materials for the Nazi Offensive

46. In 1933, Farben embarked upon a tremendous program of synthetics research and plant expansion as an integral part of the program to make Germany self-sufficient in critical war materials in preparation for aggressive war. Since production had to await the perfection of these processes and the construction of the plants, the German Government attempted in the interim to import great quantities of critical war materials in the shortest possible time. The government relied on Farben to exploit its cartel connections and its foreign exchange resources to obtain these materials during the transition period, since no other firm in Germany had the requisite international connections or the desperately needed foreign currency. In this program, as in all other phases of the Nazi preparation for total war, Farben put its entire organization at the disposal of the Wehrmacht.

47. In 1936, the Ministry of Economics approached the defendant Krauch on the matter of making Germany "independent as far as possible from oil supplies from abroad." Pending quantity production of synthetic gasoline, Farben took steps to secure oil from abroad. Farben ordered $20,000,000 worth of gasoline from the Standard Oil Company of New Jersey, which delivered $14,000,000 worth. In June 1938, with the invasion of Czechoslovakia imminent, Germany was still deficient in one of the main essentials of aviation gasoline, tetraethyl lead. On Goering's orders, the Air Ministry immediately asked Farben to store in Germany 500 tons of tetraethyl lead "up to a time when the plants in Germany are able to cover all needs." Farben arranged "to borrow" 500 tons of tetraethyl lead from the Ethyl Export Cor-

poration of the United States, and misrepresented the purpose of the "loan." The borrowed merchandise was to be returned by the end of 1939. The loan of the lead was secured by the deposit of approximately $1,000,000 as collateral by Farben. At the expiration date of the loan, 31 December 1939, Farben, of course, forfeited the collateral. Farben also procured other strategic materials from abroad, including nickel.

48. In addition to stockpiling imports, Farben, both on its own initiative and on orders from the Wehrmacht, built up stockpiles of its own war production. Magnesium was stored in incendiary bomb tubes which were packed in cases marked "Textilhuelsen" (textile casings) ; electron metal fabricated by Farben from magnesium for use in new types of incendiary bombs and artillery shells was also stockpiled. By 21 December 1936, the Air Ministry informed the director of Farben's Bitterfeld magnesium plant that "the present stockpiling would be sufficient at this time for 'A-Fall'." Quantities of chemicals, particularly phosphorus and cyanides essential to the manufacture of poison gas, were stocked. Farben was one of the two founders of the Wirtschaftliche Forschungs G.m.b.H. (WIFO) whose main activity was to construct and maintain huge subterranean storage tanks for gasoline and oil for the Wehrmacht.

49. The defendants Mann, von Schnitzler, and Ilgner, in consultation with government officials, prepared export programs for all German industry and devised techniques for augmenting Germany's foreign exchange resources. At the request of the Reichsbank and other government agencies, Farben used its international credit position to obtain loans of foreign currencies, and when the German foreign exchange situation became very desperate, Farben sold its products at less than cost.

F. Farben Participated in Weakening Germany's Potential Enemies

50. Germany's foreign economic policy was aimed primarily at weakening the economic strength of countries which the Third Reich regarded as potential obstacles to the carrying out of its aggressive policy. Farben played an indispensable and major role in this program. The defendant von Schnitzler has stated: "*** the development of IG during the last 12 years cannot be separated from the government's foreign policy." The defendant Kugler stated: "The foremost purpose of the Nazi government and IG and all other industrialists was to keep the Wehrmacht all powerful *vis-a-vis* all other countries, including the U.S.A."

51. Farben's international affiliations, associations, and con-

tracts aggregated in the thousands. Its actual cartel agreements numbered over two thousand and involved industrial concerns throughout the world, including agreements with major industrial concerns in the United States, Great Britain, France, Norway, Holland, Belgium, and Poland. Ordinarily, cartels are associations or combinations of business firms entered into for the purpose of regulating markets and prices in order to maintain prices or to protect plant investments from obsolescence. After the Nazi government came into power, Farben used the international cartel as an economic weapon in the preparation for aggressive war through trade penetration, political propaganda, collection of strategic information about foreign industries, and in weakening other countries by crippling production and stifling scientific research. From 1933 on, Farben not only obtained critical materials and important scientific information for the German military machine through its cartel connections, but deprived other countries thereof. From 1935 on, all cartel agreements, and extensions and modifications thereof, were cleared by Farben with the Wehrwirtschaftsstab (Military Economics Staff) of the Wehrmacht.

52. The pressure exerted by Farben to restrict industrial development outside Germany was a deliberate and direct phase of military planning for aggressive war. Financial and commercial arrangements between Farben and non-German firms were treated by Farben in the light of, and as part of, the German program for war. The result was a tragic retardation of the development of strategic industries in countries which the Nazi government planned to invade and attack.

53. Farben's prewar activities were carefully designed to weaken the United States as an arsenal of democracy. Through its cartel arrangements, Farben retarded the production within the United States of certain strategic products, including synthetic rubber, magnesium, synthetic nitrogen, tetrazene, atabrine, and sulpha drugs.

54. In the case of magnesium, a cartel arrangement between Farben, Aluminum Company of America, and Dow Chemical Company, greatly restricted production within the United States and prohibited exports from the United States to Europe, except to Germany and, in negligible amounts, to Great Britain. Thus, Great Britain and the rest of Europe became completely dependent upon Germany for magnesium. As a result, Great Britain was in a desperate situation with respect to magnesium at the outbreak of war. Meanwhile Farben expanded its own magnesium production for war as rapidly as possible.

55. When the British Purchasing Mission tried to buy tetrazene

primed ammunition in the United States in early 1941, the sale was prevented by a cartel agreement between a subsidiary of Dupont and a subsidiary of Farben.

56. When the Japanese captured Java, they captured the bulk of the world's quinine resources. The only substitute to combat malaria was atabrine, a synthetic drug discovered by Farben. A single patent, controlled by Farben, dictated the terms by which this essential drug could be manufactured in the United States, and prevented its production in the United States prior to Germany's declaration of war against the United States.

57. By means of cartel agreements with Standard Oil Company of New Jersey, Farben delayed the development and production of buna rubber in the United States until 1940, while at the same time producing sufficient buna in Germany to make the German Army and German industry independent of rubber imports. During the early part of the period from 1930 to 1940, industrial concerns in the United States undertook research in the field and Standard Oil developed synthetic rubber known as Butyl. Under the terms of an agreement between Farben and Standard Oil, the parties were required to supply each other with full technical information concerning the processes for these products. Farben deliberately failed to carry out its obligations under the agreement. Although Farben gave repeated assurances to Standard Oil that it would obtain permission from the German Government to supply the information about buna rubber to Standard Oil, during the entire time that Farben was giving these assurances, it had no intention of divulging the process and treated the negotiations as a military matter in consultation with the Wehrmacht and other Nazi government agencies. The result was that on 7 December 1941, the United States found itself at war with no adequate rubber supply and with no adequate program under way for making synthetic rubber. Cut off from its rubber supply in the Far East, only the most drastic steps prevented disaster.

G. Farben Carried on Propaganda, Intelligence and Espionage Activities

58. Farben's foreign agents formed the core of Nazi intrigue throughout the world. Financed and protected by Farben, and ostensibly acting only as business men, Farben officials carried on propaganda, intelligence, and espionage activities indispensable to German preparation for, and waging of, aggressive war. In Germany, Farben's Berlin N.W. 7 office was transformed into the economic intelligence arm of the Wehrmacht. The Nazi Party relied upon Farben as one of its main propaganda machines.

59. It was Hitler's basic thesis that: "After the enemy has been completely demoralized from within, we will strike." The weapon chosen for this demoralization was propaganda; the instrumentality, the Auslandsorganisation (Foreign Organization) of the NSDAP. The purpose of the Auslandsorganisation was to solidify German racial unity and regiment German institutions abroad, in accordance with National Socialist racial doctrines; prevent the assimilation of Germans in foreign countries; insure the loyalty of all Germans abroad to the Nazi Party; and carry on fifth column activities. Numerous Farben officials abroad held important positions in the Auslandsorganisation and were its sole representatives in many areas.

60. The German Foreign Office feared political friction if it were obvious that Germany was establishing agents abroad whose chief function was the furtherance of Nazi propaganda. It became official policy, therefore, to foster "an international economic approach"; to carry on intelligence work and disseminate propaganda behind the facade of seemingly respectable business. Officials and employees of Farben concerns throughout the world became "economic agents" of the Third Reich.

61. In 1933, the defendant Ilgner became a member of the "Circle of Experts of the Propaganda Ministry," and president of the Carl Schurz Association, which was active in disseminating Nazi propaganda. In 1933, Farben mailed a report idealizing conditions in the Third Reich to all its representatives abroad and requested them to circulate its contents. In 1933, Farben's American public relations expert began to disseminate Nazi and anti-Semitic propaganda and literature throughout the United States.

62. In 1937, the Commercial Committee of the Vorstand established the following policy: "It is hereby understood that in no case will men be sent to our foreign companies who do not belong to the German Labor Front and who do not possess a positive attitude toward the New Order. The men who are to be sent should make it their special duty to represent National Socialist Germanism." The Commercial Committee further resolved that all foreign representatives were to be armed with Nazi literature and were to work closely with the Auslandsorganisation. Before any employee of Farben departed on a foreign assignment, he had to sign a loyalty declaration to the Nazi Party and the New Order and vow that his primary duty would be to represent "National Socialist Germanism."

63. In advertising campaigns abroad, Farben emphasized Nazi ideology. On 16 February 1938, the Board of Directors of the Pharmaceutical Division of Farben (Bayer) resolved that adver-

tising in journals hostile to Germany "shall on all terms be avoided. Commercial and advertising considerations have to be put in the background as compared with the more important political point of view." Millions of reichsmarks' worth of books, pamphlets, newspaper clippings, and documents glorifying the "Master Race" and the Nazi State were sent abroad by Farben for distribution.

64. An even more direct participation in Germany's preparation for, and waging of, aggressive war was spy work performed by Farben throughout the world. On the basis of reports received from leading officials of Farben concerns abroad, and intensive research carried on by its experts in Germany, Farben supplied the Wehrmacht and other agencies of the Nazi government with political, economic, and military information. Farben's camouflaged firms provided an organization ideal for spying; and government officials and employees going abroad frequently requested Farben to make available to them the cloak of one of its foreign subsidiaries so that they could disguise their activities.

65. Through the instrumentality of its leading agents abroad, the "Verbindungsmaenner," one of whom was located in every major country of the world, Farben received frequent intelligence reports pertaining to economic, political, and military matters. So invaluable were these Verbindungsmaenner that in most cases they were absorbed into the OKW/Abwehr (Military Intelligence Division of the Wehrmacht) and into Nazi Party organizations. In addition, Farben placed on its payroll members of the "OKW/Abwehr." Reports received from abroad or compiled by Farben were given to the Wehrwirtschaftsstab (Military Economics Staff) of General Thomas, the OKW/Abwehr, and the Auslandsorganisation. These reports were received, analyzed, compiled, and forwarded to the Vorstand and to the various interested agencies of the Third Reich through Farben's Berlin organization known as the "Berlin N.W.7" office. The Berlin N.W.7 office also prepared special reports and maps for the Wehrmacht identifying and locating strategic factories in countries about to become the victims of German aggression. These maps and reports were used by the Luftwaffe in selecting their bombing targets. Employees of the Berlin N.W.7 office worked for the Military Economics Staff and other sections of the Wehrmacht, although they continued to work for and were paid by Farben.

66. Farben financed the propaganda, intelligence, and espionage activities described above, supplying large amounts of foreign exchange for this purpose. Farben also made contributions in reichsmarks to finance subversive activities in preparation for war. An example is a contribution by Farben on 22 September

1938, a week before the Munich Agreement, of 100,000 reichsmarks for the "Sudeten German Aid" and the "Sudeten German Free Corps." The latter was a guerrilla organization which was established for creating frontier incidents and executing sabotage attacks in preparation for the invasion of Czechoslovakia.

H. With the Approach of War and in Connection With Each New Act of Aggression, Farben Intensified its Preparation for and Participation in, the Planning and Execution of Such Aggressions and the Reaping of Spoils Therefrom

67. In 1936, when the Four Year Plan was announced, the road to aggressive war was already foreshadowed. Thereafter, the inevitability of war as a result of Hitler's aggressive plans and intentions grew increasingly manifest, and the dictatorship of the Third Reich ever more brutal and tyrannical. As the shape of things to come grew clearer and war more imminent, a few prominent supporters of Hitler parted company with the leaders of the Third Reich. Fritz Thyssen, who dominated the great Vereinigte Stahlwerke (United Steel Works), the largest coal and steel trust in Germany, and who had been one of Hitler's earliest supporters, became opposed to certain Hitler policies. When Germany attacked Poland, Thyssen fled from Germany. Hjalmar Schacht, onetime president of the Reichsbank, Minister of Economics, and Plenipotentiary General for War Economy, resigned from the latter two positions in November 1937. Because of disagreements with Hitler and Goering, particularly over the enormously expensive synthetic program and the promulgations of the Four Year Plan, Schacht became increasingly disaffected and lost influence in the Third Reich.

68. In sharp contrast with Thyssen, Schacht, and others, the close collaboration between Farben leaders and the political and military leaders of the Third Reich became even closer as the time for committing aggressive acts and launching aggressive wars grew nearer. Farben was the chief protagonist and executor of the synthetic program and profited enormously thereby. Farben played a leading role in the Four Year Plan and in directing the economic mobilization of Germany for war. Prior to the invasions and wars, Farben took radical measures to cloak and conceal its assets abroad and marshaled its resources in Germany to enable the Wehrmacht to attack at the appointed time. Hard on the heels of the invading German armies, Farben officials followed with plans carefully prepared in advance for the exploitation of industry in the occupied countries in accordance with the needs of the German war machine and the ambitious designs of Farben to expand its economic empire.

69. From 1937 on, Farben embarked upon an intensive program to camouflage and cloak its foreign holdings to protect them from seizure in the coming wars by enemy custodians. These measures not only served the interests of Farben, but enabled its foreign empire to carry out the greatly intensified efforts of the Nazi government to strengthen Germany at the expense of other nations. The defendant von Schnitzler stated: "Even without being directly informed that the government intended to wage war, it was impossible for officials of IG or any other industrialists to believe that the enormous production of armaments and preparation for war starting from the coming into power of Hitler, accelerated in 1936, and reaching unbelievable proportions in 1938, could have any other meaning but that Hitler and the Nazi government intended to wage war, come what may. In view of the enormous concentration on military production and of the intensive military preparation, no person of IG or any other industrial leader could believe that this was being done for defensive purposes. We of IG were well aware of this fact as were all German industrialists, and on a commercial side, shortly after the Anschluss in 1938, I. G. Farben took measures to protect its foreign assets in France and the British Empire."

70. Immediately prior to the Munich Conference of 29 September 1938, a special procedure was worked out by the officials of the German Government, after consultation with Farben, authorizing the cloaking of German foreign assets through transfers to neutral trustees as a protection against wartime seizure.

71. In March of 1939, the Legal Committee of Farben, whose chairman was the defendant von Knieriem, concluded that: "* * * the risk of seizure of the sales organizations in the event of war is minimized if the holders of shares or similar interests are neutrals residing in neutral countries. Such a distribution of holdings of shares or other interests has the further advantage of forestalling any conflicts which may trouble the conscience of an enemy national who will inevitably be caught between his patriotic feelings and his loyalty to IG. A further advantage is that the neutral, in case of war, generally retains his freedom of movement; enemy nationals are frequently called into the service of their country in various capacities and, therefore, can no longer take care of business matters." Farben's Legal Committee then recommended that Farben sever all "legal" ties with Farben cloaks.

72. Thereafter Farben, in anticipation of coming wars of aggression, made the drastic recommendation to the German Government that it be permitted to transfer outright hundreds of millions of dollars of foreign assets. On 24 July 1939, a letter

was sent to the Reich Ministry of Economics in which Farben explained that it was convinced that: "A real protection of our foreign sales companies against the danger of a sequestration in war can only be obtained by our renouncing all legal ties of a direct or indirect nature between the owners of the shares and ourselves * * * and by granting these shares to such neutral quarters as will give the absolute guarantee by virtue of personal relations of long years standing, partly even covering decades, that in spite of their absolute independence and neutrality they will never dispose of these values otherwise than in a way fully considering our interests." The German Government approved these measures.

73. Early in 1940, Farben began to take active measures in anticipation of possible war with the United States. A plan was adopted for "Americanizing" Farben's most important single asset in the United States, the General Aniline and Film Corporation, which Farben owned through I. G. Chemie, Switzerland. In a letter dated 15 May 1940, to the Reich Ministry of Economics, Farben explained: "Based on the experience of the World War, we have constantly endeavored since the beginning of the war to protect as far as possible this American company in the event of war entanglements with the U.S. * * *." Thereafter, the High Command of the Wehrmacht was contacted for the purpose of taking up negotiations in connection with the rearrangement of Farben's relations with I.G. Chemie.

74. Farben not only protected its foreign holdings but prepared and carried out plans whereby it would reap the spoils of each aggressive act and expand its empire at the expense of each invaded nation. The German Government cooperated with Farben in this program of plunder and spoliation designed to build up the German war potential as well as reward Farben for its major role in preparing Germany for war.

75. On 9 April 1938, one month after the invasion of Austria, Farben was already armed with a plan for a "New Order for the Chemical Industry of Austria," which it submitted to Keppler, Hitler's special representative in Vienna. The plan provided for the integration of the major chemical industries of Austria within the framework of the Four Year Plan. Farben succeeded in "acquiring" the Austrian chemical industry.

76. Prior to the Munich Pact of 29 September 1938, Farben had already prepared plans for the industrial invasion of Czechoslovakia. On 3 May 1938, Hitler signed directive "Green," stating his final decision to destroy Czechoslovakia soon, initiating military preparation all along the line. In July 1938, a report on the chemical industries of Czechoslovakia was prepared for the use

of the Commercial Committee of Farben, and thereafter Farben initiated discussions with the interested German authorities and recommended that its representatives be appointed commissars to take over the operation and management of the chemical industries of Czechoslovakia and integrate their production with the Four Year Plan. On 23 September 1938, a week before the Munich Conference, the defendant Kuehne wrote the defendants ter Meer and von Schnitzler, congratulating them on their success in achieving the acceptance of Farben nominees. On the previous day, Farben had made its contribution of 100,000 reichsmarks for financing the creation of frontier incidents and the execution of sabotage attacks against Czechoslovakia.

77. Hitler, at a meeting on 23 May 1939 with the heads of the armed forces and their staffs, announced his decision to attack Poland, and in the weeks that followed this conference, intensive preparations were made for the attack. In July 1939, Farben officials obtained information from German Government officials on the basis of which the defendants knew that Poland would be invaded in September. Farben's facilities were then completely mobilized in preparation for the attack. In anticipation of benefits to be derived from this aggression, Farben, on 28 July 1939, prepared a comprehensive report entitled: "The Most Important Chemical Factories in Poland," which report formed the basis for future acquisitions in Poland. Farben later absorbed the Polish chemical industry.

78. Envisaging the defeat of France, Farben's plans for enlarging its empire went beyond preparations for reaping the spoils of each new aggression. Farben set its sights more in line with Hitler's aim of world conquest, which now seemed closer to reality.

79. Farben began preparing for the Reich Government a "New Order" (Neuordnung) for the chemical industry. On 24 June 1940, the defendant von Schnitzler summoned a meeting of the Commercial Committee to agree upon the principles underlying the New Order. On 3 August 1940, Farben submitted to the Reich Ministry of Economics its detailed plans for the New Order. Farben explained that a "major economics sphere" would be shaped in Europe which "will, upon conclusion of the war, have the task of organizing the exchange of goods with other major spheres in competitive markets—a task which includes more particularly the recovery and securing of world respect for the German chemical industry. In the observations and planning to be made in regard thereto, it is necessary to bear in mind especially the shifting and developing trends in the international economic forces which resulted from the last war, such as may be seen

more and more in the increased influence of the United States in Latin America, of Japan in the Far East, and of Italy in Southeast Europe and the Near East."

80. The immediate short-range objective of the New Order was to integrate European production with the German war machine. The long-range objective was the incorporation of the chemical industry of Europe, including Great Britain, within the framework of the Nazi New Order, and the domination of the chemical industry of the world. The New Order of Farben proposed the use of its economic weapons, cartels, capital investments, and technical know-how, so as to combat the last remaining challenge to its supremacy, the United States.

81. Preparation of the New Order was predicated on Farben's "claim to leadership" in Europe, which Farben alleged had been taken away by the Treaty of Versailles, and which the New Order was to rectify. In developing that "claim," the New Order contained a recital of damages alleged to have been sustained as a direct result of the Treaty and also included a claim for direct and indirect damages sustained in consequence of World War II, for which, Farben charged, Great Britain and France were responsible.

82. The New Order document was not hastily prepared at the behest of the government, but was a complete exposition of projects which Farben had developed since World War I and hoped to accomplish through German aggrandizement. The New Order document contains thousands of pages of specific programs for the chemical industries of Europe, including Great Britain. These detailed plans outlined the existing structure of the chemical industries of the European countries and set forth their future organization and direction. In many instances, Farben planned to liquidate completely chemical companies and chemical production in certain countries, making those countries wholly dependent upon the Reich and thereby securing Germany's military supremacy.

83. "It must be remembered," stated the defendant von Schnitzler, "that in preparing the Neuordnung we were following the lines of the so-called Grossraumpolitik (expansionist policy) laid down by the government. We were looking to the overwhelming downfall of France and eventual capitulation of England when we prepared the document. It must be remembered that we knew well the aims and policies of the government and we knew that it was the intention of the government to improve its strength in relation to the countries outside of the European sphere. This meant, of course, the United States, because outside of Europe the United States was the only strong country with which Ger-

many had to reckon. Therefore, we wrote in the Neuordnung that we intended to keep Germany as strong as possible militaristically in relation to the United States."

I. Farben Participated in Plunder, Spoliation, Slavery, and Mass Murder as Part of the Invasions and Wars of Aggression

84. In addition to the acts and conduct of the defendants set forth above, the participation of the defendants in planning, preparation, initiation, and waging of wars of aggression and invasions of other countries included:

(a) The acts and conduct set forth in count two of this indictment, relating to plunder and spoliation, which acts and conduct were committed as an integral part of the planning, preparation, initiation, and waging of wars of aggression and invasions of other countries. The allegations made in said count two are hereby incorporated in this count.

(b) The acts and conduct set forth in count three of this indictment, relating to slavery and mass murder, which acts and conduct were committed as an integral part of the planning, preparation, initiation, and waging of wars of aggression and invasions of other countries. The allegations made in said count three are hereby incorporated in this count.

VIOLATION OF LAW

85. The acts and conduct set forth in this count were committed by the defendants unlawfully, willfully and knowingly, and constitute violations of international laws, treaties, agreements and assurances, and of Article II of Control Council Law No. 10.

COUNT TWO—PLUNDER AND SPOLIATION

STATEMENT OF THE OFFENSE

86. All of the defendants, acting through the instrumentality of Farben and otherwise, with divers other persons, during the period from 12 March 1938 to 8 May 1945, committed war crimes and crimes against humanity as defined in Article II of Control

Council Law No. 10, in that they participated in the plunder of public and private property, exploitation, spoliation, and other offenses against property in countries and territories which came under the belligerent occupation of Germany in the course of its invasions and aggressive wars. All of the defendants committed these war crimes and crimes against humanity as defined by Article II of Control Council Law No. 10, in that they were principals in, accessories to, ordered, abetted, took a consenting part in, were connected with plans and enterprises involving, and were members of organizations or groups, including Farben, which were connected with the commission of said crimes.

PARTICULARS OF DEFENDANTS' PARTICIPATION IN PLUNDER AND SPOLIATION

87. The methods employed to exploit the resources of the occupied territories varied from country to country. In some occupied countries exploitation was carried out within the framework of the existing economic structure. Local industries were placed under German supervision, and production and distribution were rigidly controlled. The industries thought to be of value to the German war effort were compelled to continue. The majority of the others were closed. Raw materials and finished products alike were confiscated. A Goering directive of 19 October 1939, with respect to Poland, provided: "The task for the economic treatment of the various administrative regions is different, depending on whether the country involved will be incorporated politically into the German Reich, or whether we will deal with the Government General, which in all probability will not be a part of Germany. In the first mentioned territories, the safeguarding of all their productive facilities and *** supplies must be aimed at, as well as a complete incorporation into the greater German economic system at the earliest possible time. On the other hand, there must be removed from the territories of the Government General all raw materials, scrap materials, machines, etc., which are of use for the German war economy. Enterprises which are not absolutely necessary for the meager maintenance of a bare existence of the population must be transferred to Germany unless such transfer would require an unreasonably long period of time and would make it more practicable to exploit those enterprises by giving them German orders, to be executed at their present location."

88. In organizing the plunder of property in occupied territories and countries, the means adopted varied from outright confiscation, which was cloaked by the enactment of various sequestration decrees, to "negotiations" with the owners of such property for its acquisition. This latter technique was particularly used in the West. The German authorities made a pretense of paying for all the property which they seized. This pretense merely disguised the fact that the raw materials, machinery and other goods diverted to Germany were paid for by the occupied countries themselves, either by the device of excessive occupation costs or by forced loans in return for a credit balance in a "clearing account" which was a nominal account only. The means adopted were intended to, and did, effectuate the plans to strengthen Germany in waging its aggressive wars, insure the subservience of the economy of conquered countries to Germany, and secure the permanent economic domination of the Continent of Europe. In the East, the German Government organized special corporations as their trustees for the express purpose of exploiting seized industries in such a manner that not only would the German war machine and its economy be strengthened, but the local economy laid in ruin.

89. Farben marched with the Wehrmacht and played a major role in Germany's program for acquisition by conquest. It used its expert technical knowledge and resources to plunder and exploit the chemical and related industries of Europe, to enrich itself from unlawful acquisitions, to strengthen the German war machine, and to assure the subjugation of the conquered countries to the German economy. To that end, it conceived, initiated, and prepared detailed plans for the acquisition by it, with the aid of German military force, of the chemical industries of Austria, Czechoslovakia, Poland, Norway, France, Russia, and other countries.

A. Farben in Austria

90. In Austria one of the two major chemical industrial firms was the Pulverfabrik Skodawerke—Wetzler A.G. (Skoda-Wetzler Works), controlled by the Creditanstalt Bank of Austria. The Rothschilds, a Jewish family, owned a majority interest in this bank. With the invasion of Austria and the introduction of the "Aryanization" program, the controlling Rothschild interests in the Creditanstalt Bank were confiscated and turned over to the Deutsche Bank. Thereupon Farben, which had sought unsuccessfully to acquire an interest in the Skoda-Wetzler Works prior to the invasion, was quick to take advantage of the changed situa-

tion. Farben proceeded to acquire control of the Skoda-Wetzler Works through the Deutsche Bank.

91. These chemical works and the other principal chemical firms of Austria were reorganized by Farben and merged into the newly created Donau Chemie A.G. Farben expanded the facilities of its newly acquired Austrian chemical industries, increased the production of war material for the German military machine, integrated the entire Austrian chemical industry with its own operations, and participated in the subjugation of the Austrian economy to the German economy and in the destruction of its former independence.

B. Farben in Czechoslovakia

92. In Czechoslovakia the largest chemical concern (the fourth largest in Europe) was the Verein fuer Chemische und Metallurgische Produktion of Prague (Prager Verein). This concern which had two important plants located in the Sudetenland, one at Falkenau and the other at Aussig, was one of Farben's biggest competitors in southeastern Europe.

93. Prior to the Munich Pact of 29 September 1938, Farben made various unsuccessful attempts to acquire an interest in the Prager Verein. After the annexation of Austria and the accelerated Nazi agitation in the Sudetenland, Farben renewed its interest and prepared plans for the acquisition of the Prager Verein. Farben proposed to the Reich Government that the defendants Wurster and Kugler be appointed commissars to operate the plants. One week prior to the Munich Pact, the Ministry of Economics informed Farben that its proposed representatives were acceptable. The Sudeten-German Economic Board advised Farben that the "Czech-Jewish management in Prague is done for," but recommended that it share the management of the plants with one of the Sudeten-German managers who remained with the chemical works. Farben reluctantly consented to share the management, but at the same time informed the German authorities that "IG would now lay claim to the acquisition of both works." The defendants von Schnitzler, ter Meer, Kuehne, Ilgner, Haefliger, Wurster, and others participated in these negotiations.

94. On 29 September 1938, the Munich Pact was signed. The next day the defendant Schmitz wired Hitler that he was "profoundly impressed by the return of Sudeten-Germany to the Reich, which you, my Fuehrer, have achieved," and that Farben "puts an amount of half a million reichsmarks at your disposal for use in the Sudeten-German territory." On 1 October, German troops entered the Sudetenland. On 3 October, Falkenau was

occupied, and on 9 October, Aussig. On 14 October 1938, Goering held a conference in the Office of the Reich Air Ministry at which the defendant Krauch was present. Goering stated that in view of the world situation, about which everyone knew from the press, Hitler had ordered him to carry out a gigantic program to procure offensive weapons at a faster rate. He ordered double and triple shifts for labor. He stated that the Sudetenland had to be exploited by all means; that Bohemia and Slovakia would become German dominions and their industry completely assimilated; that everything must be taken out and that searches must be made for oil and ore.

95. After various forms of duress had been applied by German officials, with the approval of Farben, to force Prager Verein to "sell" its plants, a proposal was submitted, on 29 October 1938, to the management at Prague by Kugler as "public commissar" of the Aussig and Falkenau plants, relating to the disposition of the plants to Farben and another German firm. To this proposal, the Prager Verein replied on 1 November 1938, taking strong exception to the view that the commissars were authorized to act on behalf of the management with respect to the disposal of the plants. On 8 November, formal "negotiations" started at a meeting in Berlin, at which the defendants Schmitz, von Schnitzler, Ilgner, Kuehne, and Kugler were present. A series of meetings were thereafter held, culminating in a December 8 meeting at which the defendant von Schnitzler presided and addressed the representatives of the Prager Verein, stating that he knew that they were trying to sabotage the deal; that he was, therefore, going to report to the German Government that, because of the attitude of the Prager Verein, social peace in the Sudeten area was being menaced and that unrest could be expected at any moment, and that the responsibility therefor would fall upon the Prager Verein. The representatives of the Prager Verein thereupon sought advice from the Czechoslovakian Government and were advised to do the best they could. The next day the agreement for the sale of the property was signed. The consideration was to be paid, partly in Czechoslovakian currency through the "clearing account," and partly in goods delivered by the Sudeten plants to the remaining plants of the company located in Czechoslovakia.

96. With the "negotiations" thus successfully concluded, the new purchasers, Farben and the other German firm, organized a new company, the Chemische Werke Aussig—Falkenau G.m.b.H., which expanded its newly acquired Czechoslovakian facilities, increased the production of chemicals essential for the German military machine, integrated the Czechoslovakian chemi-

cal industry with its own operations, and participated in the subjugation of the Czechoslovakian economy to the German economy and in the destruction of its former independence.

C. Farben in Poland

97. In Poland the three major chemical industrial firms were Przemysl Chemiczny Boruta, S.A. Zgierz (Boruta), Chemiczna Fabryka Wola Krzysztoporska (Wola), and Zaklady Chemiczne w Winnicy (Winnica).

98. In anticipation of the invasion of Poland, Farben, as early as July 1939, began preparing plans for absorbing the chemical industry of Poland. Immediately following the invasion of Poland, on 7 September 1939, the defendant von Schnitzler sent a telegram to Krueger, a Farben official, requesting him to contact the Reich Ministry of Economics to inform it of the status of the Polish chemical factories. Krueger was specifically instructed to inform the government officials that it was the considered judgment of Farben that the "considerable and valuable stocks of raw materials, intermediates, and finished products" of the Polish plants should be utilized by Farben experts "in the interests of the German economy." At a subsequent meeting between the defendant von Schnitzler, Krueger, and officials of the Reich Ministry of Economics, on 14 September 1939, Farben formally requested that it be appointed "trustee" of the Boruta, Wola, and Winnica plants. On 21 September 1939, the Ministry of Economics approved the appointment of Farben's representatives as "trustees."

99. Under Farben "trusteeship" the fate of the three Polish chemical firms followed closely the pattern set by Farben even before the invasion had taken place. Boruta, the largest of the dyestuff companies, was "purchased" by Farben from the German sequestrator. Farben obtained Winnica through special "negotiations" with the French after the occupation of France. Wola was closed down after defendant von Schnitzler notified the Ministry of Economics that it was owned by a non-Aryan family. What was left of the machinery and equipment after the Farben "trustees" stripped the plant was later sold, Farben being one of the purchasers.

100. Farben expanded its Polish facilities, increased the production of chemicals and other related products essential to the German military machine, integrated the entire Polish chemical industry with its own operation, and participated in the subjugation of the Polish economy to the German economy and in the destruction of its former independence.

D. Farben in Norway

101. In 1940 the most important chemical concern in Norway was the Norsk Hydro Elektrisk Kvaelstofaktieselskabet (Norsk-Hydro). This company was particularly important as a producer of nitrogen and nitrogen products. Prior to 1940, French interests controlled about 60 percent of the corporation. Farben's participation was approximately 25 percent. With the aid and participation of representatives of the German Government, Farben forced an increase in the capitalization of Norsk-Hydro, excluding the French stockholders from participation therein, as a result of which the French were ousted from control. Farben and the German Government obtained the controlling interest.

102. With the acquisition of control by Farben and the German Government of Norsk-Hydro, the production of the Norwegian chemical industry was coordinated with the production of the German chemical industry to supply the German military machine. New facilities were constructed to produce light metals for the Luftwaffe. Among the plants owned by Norsk-Hydro was an electro-chemical plant at Vemor, which had been producing heavy water. It was discovered that heavy water could be used in the manufacture of atom bombs, and orders were issued to expand immediately the existing facilities of the electro-chemical plants of Norsk-Hydro to increase substantially the production of such heavy water.

E. Farben in France

103. Prior to the French-German Armistice of June 1940, the three principal chemical firms in France were: Compagnie Nationale de Matières Colorantes et Manufactures de Produits Chimiques du Nord Réunies Établissements Kuhlmann, Paris (Kuhlmann), the second largest chemical company on the Continent; Société Anonyme des Matières Colorantes & Produits Chimiques de Saint Denis, Paris (Saint Denis); and Compagnie Française de Produits Chimiques et Matières Colorantes de Saint-Clair-du-Rhône, Paris (Saint-Clair-du-Rhône).

104. On 3 August 1940, Farben submitted to the Reich Ministry of Economics and to Ambassador Hemmen, the head of the German Armistice Commission, its detailed plans for the New Order (to which reference has previously been made in count one). Farben proposed to acquire control of the French chemical industry by merging the principal dyestuff and chemical corporations into one big combine in which it would have a 50 percent participation. The consideration for this participation was to be payment by Farben of a fixed amount to the German Government, rather than to the private owners.

105. The New Order was received very favorably by the German authorities. Farben requested the German authorities to starve the French chemical industry into submission by withholding necessary raw materials. To this end Farben arranged that "no negotiations with the French should take place unless first the French indicated openly that genuine necessity obliged them to recognize the superiority of the German dyestuff industry." On 25 September 1940, Farben's Commercial Committee agreed to take a "reserved attitude toward the French partners." The defendant von Schnitzler, on 4 October 1940, instructed Farben agents to represent to the French that it could not as yet open negotiations. On 12 October 1940, Farben's agent in Paris reported to the defendant von Schnitzler on a conference held on 10 October 1940 with Frossard, president of Kuhlmann, at which Mr. Frossard requested a conference with Farben, stating that: "The chemical industry in France must live, which is in the interest of the European economy. German chemical industry cannot intend that on the French side this branch of the industry should disappear completely. You must help us." Frossard further indicated that the French were prepared to accept a limitation of dyestuffs production, to manufacture preliminary and intermediate products for German industry so far as necessary, and even to sell its products under a German label.

106. On 21 November 1940, representatives of Farben and the French chemical industry met at Wiesbaden under the auspices of the Armistice Commission. Representing Farben were von Schnitzler, ter Meer, Kugler, and Terharr. Ambassador Hemmen presided. Von Schnitzler read and gave to the French Delegation a memorandum setting forth the basis upon which an "agreement" could be effected; Farben's "claim to leadership" of the dyestuffs industry in Europe was to be recognized and accepted by the French. Going beyond its claims in the New Order, Farben now insisted on an absolute majority in the French chemical industry.

107. In developing its theme of the new German economic sphere, Farben stated that it will be a "necessity of business and political economy, that there be a complete accommodation of the French dyestuffs industry to the German dyestuffs industry." The French urged that the cartel agreement of 1927 as amended in 1929, though suspended by the war, was still valid and should constitute the basis for further negotiations. Thereupon the French speaker was interrupted by Ambassador Hemmen, who, speaking loudly, with great violence, and pounding the table with his fists, said there could be no further discussion on any such basis; that he could not find words strong enough to express his

amazement over such proposals; that the French must recognize the Farben "claim to leadership"; that French prosperity was due only to the "Diktat" of Versailles; that France was actually defeated and that they would have to accept the conditions stated or face the prospect of an immediate expropriation of their plants. The defendant von Schnitzler flatly rejected the French proposals as an "imputation and insult," stating that the proposals ignored the "political and economic facts," especially since "France had declared war on Germany."

108. The next day Farben insisted that a new company be organized into which the French dyestuffs industry would be incorporated, with Farben holding a 51 percent participation. Production and the expansion of facilities were to be controlled, and the export market was to be entirely relinquished by the French.

109. Protesting the harshness of the terms, the management of the French firms sought to shift the negotiations from a private to a governmental basis. Farben was adamant. Then the French submitted an alternative plan providing for participation by Farben in a newly formed sales organization rather than a production organization. This, too, was rejected. The defendant von Schnitzler addressed the French saying: "If you don't come to terms on the basis suggested by us, we shall impose on your plants the same regime we have applied to Mulhouse." The plants of the Société des Matières Colorantes et Produits Chimiques de Mulhouse, and the Kuhlmann plant at Villers St. Paul, had already been seized by the Germans. Thereupon an agreement was reached in principle, although the French still protested a 51 percent participation by Farben.

110. On 18 November 1941, the result of the "negotiations" was finally formalized in the "Francolor Agreement." This agreement embodied the terms which Farben had prepared prior to the conference of 20 January 1941. It provided, among other things, for creation of a new corporation known as Francolor to which were transferred the principal assets of Kuhlmann, Saint Denis, and Saint-Clair-du-Rhône. Farben took a 51 percent participation in Francolor. In exchange for its assets, the French received shares of Farben stock representing one percent of Farben's capitalization. Such shares could not be sold by the French purchasers, except to each other. Having thus acquired control, Farben "Aryanized" the plant, transferred skilled French workers to Germany, dismantled and shipped special equipment to Germany, and converted these plants to armament production.

111. The German Government annexed Alsace-Lorraine, and confiscated the plants located there which belonged to French

nationals. Among the plants located in this area were the dyestuffs plant of Kuhlmann's Société des Matières Colorantes et Produits Chimiques de Mulhouse, the oxygen plants of the Oxygène Liquide, Strassburg-Schiltigheim (Alsace), and the factory of the Oxhydrique Française in Diedenhofen (Lorraine). Farben acquired these plants from the German Government without payment to, or consent of, the French owners.

112. France had developed a substantial pharmaceutical line of which the Société des Usines Chimiques Rhône-Poulenc (Rhône-Poulenc) was the principal firm. The pharmaceutical branch of Farben, the Bayer organization, was also desirous of "negotiating" an agreement in that field. The Rhône-Poulenc plants, however, were located in unoccupied France. With the aid and assistance of the German authorities, the defendant Mann conducted successful "negotiations" resulting in a formal agreement whereby Farben acquired a 51 percent interest in a subsidiary of Rhône-Poulenc and whereby that subsidiary was made the joint sales agency for the products of Bayer and Rhône-Poulenc. Farben paid for its purchase through the "clearing account."

113. By the aforementioned "negotiations," Farben acquired control of the French chemical and pharmaceutical industries, integrated its production with its own operations, and participated in the subjugation of the French economy to the German economy and in the destruction of its former independence.

F. Farben in Russia

114. On 18 December 1940, Hitler issued a directive stating that by 15 May 1941, "the German Wehrmacht must be prepared to crush Soviet Russia in a quick campaign before the end of the war against England." The code name for this campaign was "Case Barbarossa." A special plan, called the "Oldenburg" plan, to be administered by an Economic General Staff, was set up as an economic counterpart to "Case Barbarossa," to assure the most efficient exploitation of Soviet resources. The German Armies were to be fed out of Soviet territory even "if many millions of people will be starved to death." In planning the said aggression and destruction of Soviet resources, the German Government openly rejected the restrictions of the Hague Convention of 1907, declaring that its rules "regarding the administration of territories occupied by a belligerent do not apply since the Soviet Union is to be considered dissolved"; the entire Soviet industrial property was marshaled for "National Economy" and belonged to the German State. The plan envisaged a campaign of exploitation designed to subjugate the entire Soviet economy, to strip it of

its industrial facilities, and to reduce the Soviet economy to an agrarian status.

115. Special corporations, called Monopolgesellschaften or Ostgesellschaften were organized for the express purpose of exploiting the specialized industrial fields. These corporations were to be appointed "trustees" to operate Soviet industrial facilities exclusively for the German war economy.

116. To lay a basis for future claim to Soviet industrial plants, Farben set out to acquire influence in, and control of, the special corporations through substantial financial participations, and through placing its personnel in key positions in these corporations. Farben secured a financial participation in the Kontinentale Oel A.G., which Goering had organized as early as March 1941, to exploit the oil resources of the East. The defendant Buetefisch attended the initial meeting where the organizational details were agreed upon. The defendant Krauch was made a member of the Vorstand Kontinentale Oel A.G. and Hermann Abs, of the Farben Aufsichtsrat, was made an official of the company. The oil properties and related facilities of the Soviet Union were assigned to the Kontinentale Oel A.G. for exploitation. In the Chemie Ost G.m.b.H., another special corporation, Farben obtained a substantial financial participation. A Farben official was made its manager and the defendant von Schnitzler a member of its advisory board. Defendant Oster was made manager of the Stickstoff Ost, a corporation organized to exploit nitrogen facilities.

117. Farben made available to the German Government the services of the defendant Ambros and other experts to prepare for the exploitation of Soviet industry. On 28 June 1941, one week after the attack on Russia, the defendant Ambros wrote the defendant Krauch offering the services of Farben specialists who should "take over the plants there." The following week the defendant Ilgner issued instructions for the submission of plans to reorganize Russian industry under German leadership, using Farben's experience in Czechoslovakia as a model. At the same time the defendant Ambros selected a group of chemists and specialists to go to Russia; and on 1 July 1941, informed the Buna Commission that, prior to their departure for Russia, it was necessary that the policies relating to the production of certain types of buna be fixed in order "to make, as soon as possible, the Russian production subservient to our intentions." In December 1941, Farben proposed to the German Ministry of Economics the formation of a special corporation for exploiting the Russian buna plants, whose stock was to be owned 100 percent by Farben.

118. In January 1942, Farben's Berlin N.W. 7 office submitted

a secret report on the government agencies participating in the exploitation of the Soviet Union. Its own participations in the exploitation of Russia in special chemical, textile, and related fields were listed. Farben was informed by this report that the policy of the government was to give German industry a free hand in Russia and that "the directives provide for ruthless cleaning out of the industrial cities of South Russia and for the removal of all usable industrial machinery *** The East is ultimately to be a 'purely agricultural and raw material territory'." A copy of this report was sent to each member of the Vorstand and of the Commercial Committee, at the request of the defendant Mann.

VIOLATION OF LAW

119. The acts and conduct of the defendants set forth in this count were committed unlawfully, willfully, and knowingly, and constitute violations of the laws and customs of war, of international treaties and conventions, including Articles 46–56, inclusive, of Hague Regulations of 1907, of the general principles of criminality as derived from the criminal laws of all civilized nations, of the internal penal laws of the countries in which such crimes were committed, and of Article II of Control Council Law No. 10.

COUNT THREE—SLAVERY AND MASS MURDER

STATEMENT OF THE OFFENSE

120. All of the defendants, acting through the instrumentality of Farben and otherwise, with divers other persons, during the period from 1 September 1939 to 8 May 1945, committed war crimes and crimes against humanity as defined by Article II of Control Council Law No. 10, in that they participated in the enslavement and deportation to slave labor on a gigantic scale of members of the civilian population of countries and territories under the belligerent occupation of, or otherwise controlled by, Germany; the enslavement of concentration camp inmates, including German nationals; the use of prisoners of war in war operations and work having a direct relation to war operations, including the manufacture and transportation of war material and

equipment; and the mistreatment, terrorization, torture, and murder of enslaved persons. In the course of these activities, millions of persons were uprooted from their homes, deported, enslaved, ill-treated, terrorized, tortured, and murdered. All of the defendants committed these war crimes and crimes against humanity, as defined by Article II of Control Council Law No. 10, in that they were principals in, accessories to, ordered, abetted, took a consenting part in, were connected with plans and enterprises involving, and were members of organizations or groups, including Farben, which were connected with the commission of said crimes.

PARTICULARS OF DEFENDANTS' PARTICIPATION IN SLAVERY AND MASS MURDER

A. Role of Farben in Slave Labor Program

121. The acts, conduct, plans, and enterprises referred to above were carried out as part of the slave labor program of the Third Reich, in the course of which millions of persons, including women and children, were subjected to forced labor under cruel and inhuman conditions which resulted in widespread suffering and millions of deaths. At least five million workers were deported to Germany. Conscription of labor was implemented in most cases by brutal and violent methods, among which were included systematic manhunts in the streets, in motion picture theaters, houses of worship, and other public places, and frequent invasions of homes during the night. Workers deported for the Reich were sent under armed guard to Germany, often packed in trains without heating, food, clothing, or sanitary facilities, as a result of which many of them were dead upon arrival, and most of the survivors were seriously ill. Those inhabitants of occupied countries who were not deported to Germany were conscripted and compelled to work in their own countries to assist the German war machine.

122. In the execution of said plans and enterprises, the human and material resources of the belligerently occupied countries, completely out of proportion to the needs of the occupying forces, were seized and harnessed to the German war machine. The needs of the respective countries were utterly disregarded, and the family honor and rights of the civilian populations involved were ruthlessly despoiled. Prisoners of war were forced to labor at work related directly to war operations, including work in

factories engaged in production for war. The principle guiding the handling and treatment of the civilian slave laborers and the prisoners of war was the one enunciated in official orders to the effect that they should "be fed, sheltered, and treated in such a way as to exploit them to the greatest possible extent at the lowest conceivable degree of expenditure."

123. The defendant Krauch, with the aid and assistance of Farben officials and with the knowledge and approval of the Vorstand, prepared and organized the details of the plans of the chemical industry for war mobilization. Such plans included, among other things, provisions for the procurement and exploitation of slave labor to supply the German war machine with materials and equipment with which to wage aggressive war. The defendant Krauch, as Plenipotentiary General for Special Questions of Chemical Production in the Four Year Plan, was the highest authority in passing on allocations of labor for the entire chemical industry, including foreign and concentration camp labor and prisoners of war. Krauch attended meetings of the Central Planning Board, the top governmental authority responsible for the over-all planning and coordination of all matters relating to war production, including labor supply.

124. The exploitation of enslaved workers and of prisoners of war for work directly connected with war operations was standard policy of Farben. In 1941, the defendant Schmitz, in his business report to the Aufsichtsrat, stated that the respective works of Farben must direct their efforts to obtaining the necessary workers and that their requirements could, in general, be covered through foreign workers and prisoners of war.

125. Farben established labor recruiting offices which were specifically charged with responsibility for combing the labor field of the chemical industries in the newly conquered countries, or countries and territories otherwise under Nazi control, to the end that skilled workers be forcibly deported to the Reich to work for Farben. In furtherance of such policy, Farben, with the knowledge and approval of the Vorstand and acting through the defendants Ambros, von Schnitzler, ter Meer and others, exerted special pressure on French industrialists and, with the aid and assistance of the German occupying forces, recruited, by forcible deportation and by willful misrepresentations, skilled and non-skilled French workers to come to Germany and work in the Farben plants where war material and equipment was being produced. French workers who were alleged to have come voluntarily were not free to go home if they so chose. Any attempt to exercise freedom of contract by leaving their work was followed by manhunts, and capture resulted in transfers by "special transport" to the nearest

labor office where they were returned to their involuntary servitude in Farben plants.

126. Concentration camp inmates were utilized by Farben as a source and means of procuring slave labor and, to make more efficient use of this human commodity, Farben constructed camps to house them. These camps were enclosed with barbed wire, and the slave laborers housed therein were guarded by SS men. Deportees from eastern occupied countries were guarded by armed plant guards accompanied by watch dogs. In its plants, Farben accepted, and appointed as its security representatives, men designated by the SS and Gestapo and, in the administration of its plants, adopted the policies and practices of the Gestapo. Although the Farben plant manager was responsible for the morale and discipline of its slave workers, it was standard policy to call in the Gestapo to enforce discipline.

127. Farben was aggressive in its acquisition of slave laborers and sent its representatives to concentration camps to make selections of those considered most physically fit for servitude in Farben plants. This is illustrated by a complaint made by the head of the Personnel Division of Farben's Kamerawerke, Munich, to the Commandant of the Dachau concentration camp, that a transport which left Ravensbrueck with inmates selected by Farben engineers contained only 250 Dutch women instead of 260, and that 63 of this number were not selected by them. Another instance is the demand made in January 1944, by the same office of Farben's Kamerawerke, Munich, to the Labor Office, Munich, for the requisition of Polish female prisoners whose terms of imprisonment were about to expire. In this case, Farben specifically requested that the sentences of such prisoners be extended.

128. In all Farben plants and works where slave labor was used, subhuman standards of living were the established order. Inadequate food rations, overcrowded and filthy sleeping quarters, excessive hours of hard physical labor, continued beatings, and other cruel disciplinary measures brought about a high percentage of illness and disease among the inmates. In cases of disease, little or no medical care was furnished, as a result of which many slave laborers died.

129. The extent of Farben slave labor activities is shown by the following figures: During the period here involved, the total number of workers reached 200,000, of which approximately 50 percent were slave labor. Beginning in 1941, with approximately 10,000 slave laborers, Farben progressively increased its exploitation of such slave labor to approximately 22,000 in 1942; 58,000 in 1943; 85,000 in 1944; and 100,000 in 1945. These figures represent only the numbers of slave laborers in Farben plants at a

given time, and do not reflect the fact that many died and were replaced and many were "exchanged." Farben, in its use of slave labor, affected the freedom, the well-being, and the lives of many hundreds of thousands of human beings.

130. In Farben's internal organization, the Technical Committee passed upon and recommended to the Vorstand the construction of barracks and concentration camps, together with installations and equipment necessary to house the slave labor. The Vorstand, thereupon, gave its approval to the projects so recommended and authorized the necessary expenditures. The welfare of such slave labor, including the administration of the barracks and concentration camps and the type of disciplinary action to be taken against the slave labor, was under the immediate supervision of the plant leaders and plant managers, including the defendants Wurster, Ambros, Lautenschlaeger, Buergin and Gajewski. The Vorstand "delegated" its over-all responsibility for the welfare of laborers in all its plants to the defendant Schneider as Hauptbetriebsfuehrer (chief of plant leaders). Schneider consulted with the plant leaders and plant managers and other members of the Vorstand, including the defendants von Schnitzler, Ilgner, ter Meer, and Brueggemann, in formulating policy decisions. The defendant Krauch discussed with Schneider and other members of the Vorstand the requisitioning and handling of slave labor.

B. Use of Poison Gas and Medical Experimentations Upon Enslaved Persons

131. Poison gases and various deadly pharmaceuticals manufactured by Farben and supplied by Farben to officials of the SS were used in experimentation upon, and the extermination of, enslaved persons in concentration camps throughout Europe. Experiments on human beings (including concentration camp inmates), without their consent, were conducted by Farben to determine the effects of deadly gases, vaccines, and related products.

C. Farben at Auschwitz

132. The Auschwitz concentration camp was established for the main purpose of exterminating human beings. Life or death of the inmates depended solely upon their fitness for work. All who were considered fit to work were used as slave laborers; all who were not considered fit to work were exterminated in gas chambers and their bodies burned. When the remainder of dead exceeded the capacity of the specially constructed crematoria, the "overflow" of human beings was burned in huge open bonfires.

Here many victims were also burned alive. In Auschwitz alone, three to four million persons were exterminated, and another one-half million died from disease and starvation.

133. The decision between life and death of newly arrived inmates was made pursuant to a screening system which operated as follows: There were two SS doctors on duty to examine the incoming transports of prisoners. The prisoners would be marched by one of the doctors who would make spot decisions as they walked by. Those who appeared fit for work were sent into the camp. Others were sent immediately to the extermination chambers. Children of tender years were usually exterminated since, by reason of their youth, most of them were considered unable to work. Steps were taken to conceal from the victims the fact that they were to be exterminated, and it was represented to them that by going through the gas chambers they were only going through a bathing and delousing process. It took from three to fifteen minutes to kill the people in the death chamber, and when their screaming had stopped it was assumed they were dead. About a half hour later, the doors were opened and the bodies removed, whereupon special commandos of the SS took off the rings and extracted the gold from the teeth of the corpses. The bodies were then cremated and, after cremation, their ashes were used for fertilizer. In some instances, attempts were made to utilize the fat from the bodies of the victims in the commercial manufacture of soap.

134. At Auschwitz, innumerable inmates were forcibly subjected to cruel and unusual experiments in surgery and tests of various medications. These surgical and medical experiments consisted in the main of castrations, ovarian operations, amputation, complete removal of sexual organs, abortions, sterilization by X-Ray, injection with the virus of certain diseases, and subsequent oral or intra-venal application of various drugs and pharmaceutical products. Many of the pharmaceuticals used were manufactured by, and procured from, one or more of Farben's plants.

135. In or about 1940, the defendant Krauch discussed the construction of a new buna plant with the defendant Ambros. The defendant Ambros, in consultation with the defendant ter Meer, proceeded to make a survey of suitable locations and recommended to the Farben Vorstand that the buna plant be constructed at Auschwitz. In recommending said location, the defendant Ambros called specific attention to the available labor supply from the concentration camps in that area. The Vorstand approved the recommendations and authorized the construction of a buna plant at Auschwitz.

136. To insure the cooperation of the SS in the furnishing of

concentration camp labor, Farben took steps to establish friendly relationships with the SS. In 1941, Farben made a contribution to the SS, through the "Circle," of 100,000 marks, and thereafter made similar annual contributions to the SS. The defendant Buetefisch was a member of the "Keppler Circle," subsequently known as the "Friends of Himmler" and "Freundeskreis" (Circle of Friends). This select group included the leading industrialists in Germany. Regular and frequent meetings were held at which Heinrich Himmler, Reichsfuehrer of the SS, presided. Its membership, in addition to leading German industrialists and bankers, included Karl Wolff, Himmler's adjutant; Oswald Pohl, Chief of all concentration camps; Otto Ohlendorf, a leading official of the SS who testified before the IMT that his SS Kommandos had killed 90,000 women, men, and children, mostly Jews, in Russia; and Wolfram Sievers, who directed the program of criminal medical experimentation on human beings. This "Circle" made regular annual contributions of at least one million marks to Himmler to aid in financing the criminal activities of the SS. These activities consisted of the guarding and administration of concentration camps and the brutal treatment of their inmates; subjecting prisoners of war and concentration camp inmates to a series of experiments, including freezing to death and killing by poisoned bullets; shooting unarmed prisoners of war; extensive participation in the slave-labor program; murder and ill-treatment of the civilian population in occupied countries, including massacres such as at Lidice and the destruction of the Warsaw ghetto; and the persecution and extermination of millions of Jews and others deemed politically undesirable by the SS. The criminal programs of the SS were so widespread and conducted on such a gigantic scale that they were a matter of common knowledge throughout Germany and throughout the world. In addition to the defendant Buetefisch, Farben maintained its liaison with the SS through various members of its organization who held high offices in the SS, and through the personal friendship between the defendant Ambros and Himmler. Farben was given top priority in the allocation of concentration camp inmates to work at the buna plant at Auschwitz.

137. Early in 1941, Farben, having secured priority in the procurement of concentration camp labor from Auschwitz, undertook the construction of the buna plant at Auschwitz. Goering issued an order to Himmler, in or about February 1941, to the effect that Jews in Auschwitz and surrounding areas must be immediately evacuated because of the buna factory to be constructed. The said order further provided that concentration camp inmates be used for the construction of said buna works, estimating that eight to

twelve thousand workers would be needed. Himmler and the defendant Krauch were authorized to prepare and formulate necessary orders to carry the foregoing into effect, and to notify Goering when such orders were formulated. Pursuant to the said directive of February 1941, from Goering to Himmler, the SS was authorized to make arrangements with Farben for the use of concentration camp inmates in the construction of the buna works. Thereafter, at a meeting held in Berlin, Farben agreed with General Wolff of the SS that it would pay the SS one and a half to four marks per day for different classes of labor which were to be furnished by the SS from the concentration camp at Auschwitz. The lowest rate was for the labor of those children of tender years who were considered strong enough physically to be given the opportunity to work for a short time in lieu of immediate death. None of the inmates ever received any portion of these payments.

138. In order to bring more slave workers closer to the buna plant, and thus better integrate production with concentration camp facilities in the Auschwitz system, in October 1942, Farben constructed an additional camp at Auschwitz called Monowitz, adjacent to the buna plant site. The standard pattern of concentration camp construction was followed. Monowitz, like the others, was surrounded by dense barbed wire fences charged with high tension electric current. It contained strategically placed guard towers, torture enclosures, and all other standard concentration camp accessories and equipment, including a specially constructed railway spur leading into Monowitz, over which were carried the well-known "transports" of inmates. Monowitz received not only as many inmates as Farben could obtain from the Auschwitz concentration camp, but received new inmates and was administered in every way like all the other camps. For the construction and equipping of Monowitz, Farben, with the specific approval of the Vorstand, expended upwards of 5,000,000 reichsmarks.

139. Farben reached an understanding with the SS relating to the administration of Monowitz, and, pursuant to this agreement, assumed responsibility, among other things, for the furnishing of food, quarters, and similar facilities. The policing of the concentration camp was shared between the SS and the "Work Police," which was set up and armed by Farben.

140. In the administration of the Monowitz concentration camp, Farben set up a special punishment division to which were sent workers who did not conform to the murderous requirements of production efficiency imposed by Farben. As a result of such action, beatings and other forms of corporal punishment were

administered, and in many cases the workers were sent to the extermination chambers at Birkenau, another part of the Auschwitz system, which was notorious for its gas chambers and crematoria.

141. Farben, in complete defiance of all decency and human considerations, abused its slave workers by subjecting them, among other things, to excessively long, arduous, and exhausting work, utterly disregarding their health or physical condition. The sole criterion of the right to live or die was the production efficiency of said inmates. By virtue of inadequate rest, inadequate food (which was given to the inmates while in bed at the barracks), and because of the inadequate quarters (which consisted of a bed of polluted straw, shared by from two to four inmates), many died at their work or collapsed from serious illness there contracted. With the first signs of a decline in the production efficiency of any such workers, although caused by illness or exhaustion, such workers would be subjected to the well-known "Selektion." "Selektion," in its simplest definition, meant that if, upon a cursory examination, it appeared that the inmate would not be restored within a few days to full productive capacity, he was considered expendable and was sent to the "Birkenau" camp of Auschwitz for the customary extermination. The meaning of "Selektion" and "Birkenau" was known to everyone at Auschwitz and became a matter of common knowledge.

142. The working conditions at the Farben buna plant were so severe and unendurable that very often inmates were driven to suicide by either dashing through the guards and provoking death by rifle shot, or hurling themselves into the high-tension electrically-charged barbed wire fences. As a result of these conditions, the labor turnover in the buna plant in one year amounted to at least 300 percent. Besides those who were exterminated and committed suicide, up to and sometimes over 100 persons died at their work every day from sheer exhaustion. All depletions occasioned by extermination and other means of death were balanced by replacement with new inmates. Thus, Farben secured a continuous supply of fresh inmates in order to maintain full production.

143. Farben's conduct at Auschwitz can be best described by a remark of Hitler: "What does it matter to us? Look away if it makes you sick."

VIOLATION OF LAW

144. The acts and conduct of the defendants set forth in this count were committed unlawfully, willfully, and knowingly, and

constitute violations of international conventions, particularly of Articles 3, 4, 5, 6, 7, 14, 18, 23, 43, 46 and 52 of the Hague Regulations, 1907, and of Articles 2, 3, 4, 6, 9–15, 23, 25, 27–34, 46–48, 50, 51, 54, 56, 57, 60, 62, 63, 65–68, and 76 of the Prisoner-of-War Convention (Geneva, 1929), of the laws and customs of war, of the general principles of criminal law as derived from the criminal laws of all civilized nations, of the internal penal laws of the countries in which such crimes were committed, and of Article II of Control Council Law No. 10.

COUNT FOUR—MEMBERSHIP IN THE SS

145. The defendants Schneider, Buetefisch, and von der Heyde are charged with membership, subsequent to 1 September 1939, in Die Schutzstaffeln der Nationalsozialistischen Deutschen Arbeiterpartei (commonly known as the "SS"), declared to be criminal by the International Military Tribunal, and Paragraph 1 (d) of Article II of Control Council Law No. 10.

COUNT FIVE—COMMON PLAN OR CONSPIRACY

146. All the defendants, acting through the instrumentality of Farben and otherwise, with divers other persons, during a period of years preceding 8 May 1945, participated as leaders, organizers, instigators, and accomplices in the formulation and execution of a common plan or conspiracy to commit, or which involved the commission of, crimes against peace (including the acts constituting war crimes and crimes against humanity which were committed as an integral part of such crimes against peace) as defined by Control Council Law No. 10, and are individually responsible for their own acts and for all acts committed by any persons in the execution of such common plan or conspiracy.

147. The acts and conduct of the defendants set forth in counts one, two and three of this indictment formed a part of said common plan or conspiracy and all the allegations made in said counts are incorporated in this count.

Wherefore, this indictment is filed with the Secretary General

of the Military Tribunals and the charges herein made against the above-named defendants are hereby presented to the Military Tribunals.

[Signed] TELFORD TAYLOR
Brigadier General, USA
Chief of Counsel for War Crimes
Acting on Behalf of the United States of America

Nuernberg, 3 May 1947

APPENDIX A

Statement of Positions held by each of the Defendants

The following is a list of the high positions held by each of the defendants in the financial, industrial, and economic life of Germany and of the high political, civil, and military positions held by each of the defendants in Germany. Each of the defendants, by using these positions and his personal influence, participated in the planning, preparation, initiation, and waging of wars of aggression and invasions of other countries, and committed crimes against peace as set forth in count one, and war crimes and crimes against humanity as set forth in counts two and three, and participated in a common plan or conspiracy to commit said crimes as set forth in count five.

KRAUCH—The defendant Carl Krauch, during the period from 1932 to 1945, was: Member of the Vorstand and of the Zentralausschuss (Central Committee); Chairman, Aufsichtsrat; Chief, Sparte I (Division I); Chief, Vermittlungsstelle W (Liaison Office W) of Farben; Member, NSDAP; Member, NSFK; Member, DAF (German Labor Front); Wehrwirtschaftsfuehrer (Military Economy Leader); Holder of Ritterkreuz des Kriegsverdienstkreuzes (Knight's Cross of the War Merit Cross); Member, Beirat (Advisory Council); Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Chief, Reichsamt fuer Wirtschaftsausbau (Reich Office for Economic Development); Chief, Abteilung Forschung und Entwicklung, Amt fuer Deutsche Roh- und Werkstoffe, Vierjahresplan (Research and Development Department, Office for German Raw Materials and Synthetics, Four Year Plan); Generalbevollmaechtigter fuer Sonderfragen der Chemischen Erzeugung (Plenipotentiary General for Special Questions of Chemical Production); Member, Deutsche Akademie fuer Luftfahrtforschung (German Academy for Aviation Research); Senator, Kaiser Wilhelm Gesellschaft (Kaiser Wilhelm Society); Honorary Member, Verein Deutscher Chemiker (Association of German Chemists); Member, Director-

ate, Reichsforschungsrat (Reich Research Council); Chairman, Aufsichtsrat, Gesellschaft fuer Landeskultur m.b.H., Halle/Saale; Deputy Chairman, Aufsichtsrat, A.G. fuer Stickstoffduenger, Knapsack/Koeln; Member, Aufsichtsrat, Deutsche Gasolin A.G., Berlin; Member, Aufsichtsrat, Braunkohle-Benzin A.G., Berlin; Member, Aufsichtsrat, Braunkohlen-Produkte A.G., Berlin; Member, Aufsichtsrat, Ford Werke A.G., Cologne; Member Aufsichtsrat, Kontinentale Oel A.G., Berlin; Geschaeftsfuehrer (Manager), Ammoniakwerk Merseburg G.m.b.H., Merseburg; and chairman or board member of other industrial firms, combines, and enterprises, within Germany and the occupied countries.

SCHMITZ—The defendant Hermann Schmitz, during the period from 1932 to 1945, was: Chairman of the Vorstand and of the Zentralausschuss (Central Committee) of Farben; Member, Reichstag; Wehrwirtschaftsfuehrer (Military Economy Leader); Member, Gutachter-Ausschuss ueber Rohstoff-Fragen (Committee of Experts on Raw Materials Questions) of Goering; Member, Engerer Beirat (Select Advisory Council), Reichsgruppe Industrie (Reich Group Industry); Member, Board of Directors, Bank fuer Internationalen Zahlungsausgleich (Bank of International Settlements), Basle; Chairman Waehrungsausschuss (Currency Committee), Reichsbank; Member, Akademie fuer Deutsches Recht (Academy for German Law); Member, Ausschuss fuer Aktienrecht (Committee for Corporate Law), Akademie fuer Deutsches Recht; Chairman, Vorstandsrat (Board of Directors), Haus der Deutschen Kunst (House of German Art); Chairman, Aufsichtsrat, Dynamit A.G., vorm. Alfred Nobel & Co., Troisdorf (munitions and explosives combine); Chairman, Aufsichtsrat, Rheinische Stahlwerke A.G., Essen (coal combine); Deputy Chairman, Aufsichtsrat, Vereinigte Stahlwerke A.G., Duesseldorf (steel combine); Chairman, Aufsichtsrat, A.G. fuer Stickstoffduenger, Knapsack/Koeln; Chairman, Aufsichtsrat, Deutsche Celluloid-Fabrik A.G., Eilenburg; Chairman, Aufsichtsrat, A. Riebeck'sche Montanwerke A.G., Halle/Saale; Chairman, Aufsichtsrat, Wolff & Co. K.G. a.A., Walsrode; Member, Aufsichtsrat, Friedrich Krupp A.G., Essen; Member, Aufsichtsrat, Kalle & Co. A.G., Wiesbaden-Biebrich; Member, Aufsichtsrat, Stickstoff-Syndikat G.m.b.H., Berlin; Member, Aufsichtsrat, Metallgesellschaft A.G., Frankfurt; Member Aufsichtsrat, Norddeutsche Raffinerie, Hamburg; Member, Aufsichtsrat, Rheinische Gummi- und Celluloid-Fabrik, Mannheim; Member, Aufsichtsrat, Allianz-Versicherungs A.G., Berlin; Chairman, Ammoniakwerk Merseburg G.m.b.H., Merseburg; Chairman, Aufsichtsrat, Deutsche Laenderbank A.G. Berlin; Chairman, Aufsichtsrat, Deutsche Industriebank, Berlin; Member Aufsichtsrat, Deutsche Bank, Berlin;

Member, Aufsichtsratsrat, Reichskreditgesellschaft A.G., Berlin; Member, Siebener Ausschuss (Committee of Seven), Deutsche Golddiskontbank, Berlin; Chairman, Europaeische Stickstoffkonvention (European Nitrogen Convention); Member, Aufsichtsrat, Norsk-Hydro Elektrisk Kvaelsstoffaktieselskabet, Oslo, Norway; Chairman, Verwaltungsrat, Internationale Gesellschaft der Stickstoff-Industrie A.G., Basle, Switzerland; Chairman, Verwaltungsrat, Internationale Gesellschaft fuer Chemische Unternehmungen A.G., Basle, Switzerland; President and Chairman, Board of Directors, American I.G. Chemical Corp., New York; and chairman or board member of other industrial firms, combines, and enterprises within Germany, the occupied countries, and elsewhere.

VON SCHNITZLER—The defendant Georg August Eduard von Schnitzler, during the period from 1932 to 1945, was: Member of the Vorstand and of the Zentralausschuss (Central Committee), Chairman, Kaufmaennischer Ausschuss (Commercial Committee); Chief, Verkaufsgemeinschaft Farbstoffe (Sales Combine Dyestuffs); Chief, Verkaufsgemeinschaft Chemikalien (Sales Combine Chemicals); Chairman, Farben-Ausschuss (Dyestuffs Committee); Chairman, Chemikalien-Ausschuss (Chemicals Committee), of Farben; Member, NSDAP; Hauptsturmfuehrer (Captain) SA; Member, DAF (German Labor Front); Member NSKK; Wehrwirtschaftsfuehrer (Military Economy Leader); Member, Grosser Beirat (Greater Advisory Council), Reichsgruppe Industrie (Reich Group Industry); Chairman, Staendiger Ausstellungs- und Messe-Ausschuss (Permanent Committee for Exhibitions and Fairs), and Ausschuss fuer Industrielle Wirtschaftswerbung (Committee for Economic Propaganda of Industry), Reichsgruppe Industrie; Member, Aussenhandels-Ausschuss (Committee for Foreign Trade), Reichsgruppe Industrie; Deputy Chairman, Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Chief, Fachgruppe 16, Teerfarben und Teerfarben-Zwischenprodukte (Subgroup 16, Tar Dyes and Tar Dye Intermediates), Wirtschaftsgruppe Chemische Industrie; Chairman, Werberat der Deutschen Wirtschaft (Council for Propaganda of German Economy), Ministry of Propaganda; Representative of German Group in Vier-Parteien Farbstoff Kartell (Dyestuffs Four-Party Cartel); Chairman, Zwischenstaatliches Deutsch-Belgisches Comité (Interstate German-Belgian Committee); Vice President, Schiedsgerichtshof der Internationalen Handelskammer (Court of Arbitration, International Chamber of Commerce); Vice Chairman, Deutsche-Italienische Studienstiftung (German-Italian Studies Foundation); Member, Deutsch-Spanische Gesellschaft (German-Span-

ish Society); Member, Deutsch-Franzoesische Gesellschaft (German-French Society); Member, Directorate, Deutsche Gruppe der Internationalen Handelskammer (German Group of International Chamber of Commerce); Chairman, Aufsichtsrat, Chemische Werke Dornach G.m.b.H., Muelhausen-Dornach; Chairman, Verwaltungsrat, Gesellschaft fuer Verkaufsfoerderung (Company for Sales Promotion); Chairman, Frankfurt-Hesse Regional Beirat (Advisory Council), Deutsche Bank; Vice Chairman, Deutscher Soda- und Aetznatronverband, Berlin; Member, Aufsichtsrat, Ala-Anzeigen A.G., Berlin; Member, Aufsichtsrat, Kalle & Co. A.G., Wiesbaden-Biebrich; Chairman, Aufsichtsrat, Chemische Werke Aussig-Falkenau G.m.b.H., Aussig, Czechoslovakia; Vice Chairman, Aufsichtsrat, Sociedad Electro-Quimica de Flix, Flix, Spain; Member, Aufsichtsrat, S.A. de Matières Colorantes et Produits Chimiques, Francolor, Paris, France; Member, Aufsichtsrat, Aziende Colori Nazionali Affini S.A., Milan, Italy; and chairman or board member of other industrial firms, combines, enterprises within Germany, the occupied countries, and elsewhere.

GAJEWSKI—The defendant Fritz Gajewski, during the period from 1932 to 1945, was: Member of the Vorstand and of the Zentralausschuss (Central Committee); Chief, Sparte III (Division III); Manager of "Agfa" plants; Deputy Chairman, Technischer Ausschuss (Technical Committee) of Farben; Member, NSDAP; Member, DAF (German Labor Front); Member, NS Bund Deutscher Technik (National Socialist Association of German Technicians); Member, Reichsluftschutzbund (Reich Air Raid Protection Association); Wehrwirtschaftsfuehrer (Military Economy Leader); Member, Beirat (Advisory Council), Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Member, Beirat, Fachgruppe Chemische Herstellung von Fasern (Sub-group for Chemical Production of Artificial Fibres), Wirtschaftsgruppe Chemische Industrie; Member, Zellwolleausschuss (Artificial Fibres Committee), Wirtschaftsgruppe Textilindustrie; Member, Beirat, Fachgruppe Zellstofferzeugung (Sub-group for Cellulose Production), Wirtschaftsgruppe Papier-, Zellstoff- und Holzstoff-Erzeugung (Economic Group Paper, Cardboard, Cellulose, and Wood Pulp Production); Member, Beirat, Industrie- und Handelskammer (Chamber of Industry and Commerce), Halle/Saale; Member, Beirat, Gauwirtschaftskammer Halle-Merseburg (Gau Economic Chamber Halle-Merseburg), Halle/Saale; Chairman, Pensionskasse der Agfa der Angestellten der I.G. Farben A.G. (Pension Fund of Agfa Employees of I.G. Farben A.G.), Wolfen-Bitterfeld; Member, Vorstand, I.G. Betriebs-Sparvereinigung (Plant Savings Association), Lud-

wigshafen; Chief, Section V, Berufsgenossenschaft der Chemischen Industrie (Trade Association of Chemical Industry), Leipzig; Deputy Member, Beirat, Landesverband Sachsen des Reichsverbandes der gewerblichen Berufsgenossenschaften (Regional Union Saxony of the Reich Union of Industrial Trade Associations), Dresden; Member, Kuratorium (Board of Trustees), Mitteleuropaeischer Wirtschaftstag (Central European Economic Diet); Ordentliches Mitglied des Arbeitsausschusses (Full Member of Working Committee), Kunstseide-Verkaufs Bueros G.m.b.H., Berlin; Deputy Chairman, Aufsichtsrat, Deutsche Celluloid-Fabrik A.G., Eilenburg; Deputy Chairman, Aufsichtsrat, Kalle and Co. A.G., Wiesbaden-Biebrich; Member, Aufsichtsrat Deutsche Grube A.G., Halle/Saale; Member, Aufsichtsrat, AGFA Gemeinnuetzige Altersheim G.m.b.H., Berlin; Member, Aufsichtsrat Dynamit A.G., vorm. Alfred Nobel & Co., Troisdorf; Member, Aufsichtsrat, Gemeinnuetzige Wohnungsbaugesellschaft, Wolfen; Member, Gesellschaftsrat (Company Board), Dr. Alexander Wacker Gesellschaft fuer Elektrochemische Industrie m.b.H., Munich; Chairman, Verwaltungsrat, Chemische Industrie A.G., Pressburg, Czechoslovakia; Member, Verwaltungsrat, A.G. Dynamit Nobel, Pressburg, Czechoslovakia; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

HOERLEIN—The defendant Philipp Heinrich Hoerlein, during the period from 1932 to 1945 was: Member of the Vorstand and of the Zentralausschuss (Central Committee); member, Technischer Ausschuss (Technical Committee); Manager, Elberfeld Plant, in charge of development of vaccines, sera, pharmaceuticals, and poison gas; Chairman, Pharmaceutische Hauptkonferenz (Pharmaceuticals Main Committee), of Farben; Member, NSDAP; Member, DAF (German Labor Front); Member, NS Bund Deutscher Technik (National Socialist Association of German Technicians); Chairman, Justus Liebig Gesellschaft (Justus Liebig Society); Treasurer, Kaiser Wilhelm Gesellschaft (Kaiser Wilhelm Society); Treasurer, Deutsche Chemische Gesellschaft (German Chemical Association); Chairman, Wuppertal Regional Beirat (Advisory Council), Deutsche Bank; Member, Handelskammer (Chamber of Commerce), Wuppertal; Chairman, Aufsichtsrat, Behringwerke A.G., Marburg; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

VON KNIERIEM—The defendant Johann August von Knieriem, during the period from 1932 to 1945, was: Member of the Vorstand and of the Zentralausschuss (Central Committee); Chairman, Rechtsausschuss (Legal Committee) and Patent-Ausschuss

(Patent Committee) of Farben; Member, NSDAP; Member, DAF (German Labor Front); Member, NS Rechtswahrerbund (National Socialist Lawyers Association); Member, Deutsche Adelsgesellschaft (German Society of Nobles); Member, Ausschuss fuer Patent-Muster-Zeichenwesen (Committee for Patents and Trademarks), Reichsgruppe Industrie (Reich Group Industry); Member, Ausschuss fuer Marktordnung und Betriebswirtschaft (Committee for Market Regulation and Business Economics), Reichsgruppe Industrie; Member, Rechtsausschuss (Law Committee), Reichsgruppe Industrie, and of the following special subcommittees; Aktienrecht (Corporation Law), G.m.b.H. Recht (Law for Limited Companies), and Eigentumsvorbehalt (Law of Conditional Transfer of Property; Member, Praesidialausschuss fuer Kartell-und Steuerpolitik, betriebswirtschaftliche Fragen und Probleme der Marktordnung (Board Committee for Cartel and Tax Policies, Business Economics Questions, and Market Problems), Reichsgruppe Industrie; Member, Akademie, fuer Deutsches Recht (Academy for German Law); Chairman, Ausschuss fuer das Recht des Geistigen Schaffens (Committee for the Law of Copyright); Akademie fuer Deutsches Recht; Member, Arbeitsgemeinschaft fuer Deutsche und Ungarische Rechtsbeziehungen (Working Association for German-Hungarian Legal Relations), Akademie fuer Deutsches Recht; Member, Arbeitsgemeinschaft fuer Vierjahresplanfragen in Rahmen des Patentausschusses (Working Association for Four Year Plan Questions within Framework of Patent Committee) Akademie fuer Deutsches Recht; Member, Patent- und Gebrauchsmusterrechts-Ausschuss (Patents and Trademarks Law Committee), Urheberrechtsausschuss (Patent Law Committee), Warenzeichen- und Wettbewerbsausschuss (Trademarks and Competition Committee), Deutsche Arbeitsgemeinschaft fuer Gewerblichen Rechtsschutz und Urheberrecht (German Working Association for Legal Protection of Industry and Patent Law); Ordentliches Mitglied (Full Member), Internationale Rechtskammer (International Chamber of Law); Chairman, Sektion "Gewerblicher Rechtsschutz" (Section "Legal Protection of Industry"), Internationale Rechtskammer; Member, Ausschuss fuer Fragen des gewerblichen Rechtsschutzes (Committee for Questions of Legal Protection of Industry); Internationale Handelskammer (International Chamber of Commerce); Member, Ausschuss fuer Fragen internationaler Kartelle (Committee for Questions of International Cartels), Internationale Handelskammer; Member, Kaiser Wilhelm Gesellschaft (Kaiser Wilhelm Society); Member, Aufsichtsrat, Anorgana G.m.b.H., Frankfurt; Member, Verwaltungsrat, Stickstoff Syndicat G.m.b.H., Berlin; Geschaeftsfuehrer (Manager),

Ammoniakwerk Merseburg G.m.b.H., Merseburg; Board Member, International Hydrogenation Patents Co., The Hague, Holland; Board Member, International Hydrogenation Engineering and Chemical Co., The Hague, Holland; and chairman or board member of other industrial firms, combines and enterprises within Germany and the occupied countries.

TER MEER—The defendant Fritz ter Meer, during the period from 1932 to 1945, was: Member of the Vorstand, and of the Zentralausschuss (Central Committee); Chief, Technischer Ausschuss (Technical Committee); Chief, Sparte II (Division II) of Farben; Member, NSDAP; Member, DAF (German Labor Front); Wehrwirtschaftsfuehrer (Military Economy Leader); Beauftragter (Commissioner) and Ruestungsobmann (Armament Commissioner) of the Generalbeauftragter fuer Italien des Reichsministers fuer Ruestung und Kriegsproduktion (Plenipotentiary General for Italy of the Reich Minister for Armament and War Production); Vice Chairman and Member, Praesidium, Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Member, Beirat (Advisory Council), Wirtschaftsgruppe Chemische Industrie; Chief and Chairman, Produktionsausschuss (Production Committee), Sammelgruppe I, Sonstige Anorganische Erzeugnisse (Sub-group I, Other Inorganic Products), Wirtschaftsgruppe Chemische Industrie; Member, Beirat, Industrie und Handelskammer (Chamber of Industry and Commerce), Rhein-Main Region, Frankfurt; Chairman, Berufsgenossenschaft der Chemischen Industrie (Trade Association of Chemical Industry), Berlin; Member, Beirat, Reichsverband der Gewerblichen Berufsgenossenschaften (Reich Union of Industrial Trade Associations), Berlin-Wilmersdorf; Member, Haus der Technik (House of Technology), Gau Hessen-Nassau; President, Emil Fischer Gesellschaft (Emil Fischer Society); Chairman, Verwaltungsausschuss des Kaiser Wilhelm Instituts fuer Chemie (Administrative Committee of the Kaiser Wilhelm Institute for Chemistry); Member, Stipendien-Ausschuss (Scholarship Committee), Justus Liebig Gesellschaft (Justus Liebig Society); Treasurer, Chemical Group, NS Bund Deutscher Technik (National Socialist Association of German Technicians); Chairman, Aufsichtsrat, Chemische Werke Huels G.m.b.H., Huels; Chairman, Aufsichtsrat, Versuchswerk fuer Kautschuk-Verarbeitung G.m.b.H., Leverkusen; Chairman, Aufsichtsrat, Anorgana G.m.b.H., Frankfurt; Chairman, Aufsichtsrat, Duesseldorfer Waggonfabrik A.G., Duesseldorf; Chairman, Aufsichtsrat, Waggonfabrik Uerdingen A.G., Uerdingen; Deputy Chairman, Aufsichtsrat, Duisburger Kupferhuette, Duisburg; Member, Aufsichtsrat, A.G. fuer Stickstoffduenger, Knapsack/Koeln; Member,

Aufsichtsrat, Chemische Werke Dornach G.m.b.H., Muelhausen-Dornach; Member, Beirat (Advisory Council) Adam Opel A.G., Ruesselsheim; Member, Gesellschaftsrat (Company Board), Dr. Alexander Wacker Gesellschaft fuer Elektrochemische Industrie G.m.b.H., Munich; Geschaeftsfuehrer (Manager), Bunawerke G.m.b.H., Schkopau; Member, Verwaltungsrat, S.A. de Matières Colorantes et Produits Chimiques, Francolor, Paris, France; Member, Verwaltungsrat, Aziende Colori Nazionali Affini S.A., Milan, Italy; Member, Verwaltungsrat, Societa Lombarda Bianchi and Co., Rho, Italy; Member, Verwaltungsrat, Soc. Italiana Carboni Attivi, Milan, Italy; Member, Verwaltungsrat, Fabricacion Nacional de Colorantes y Explosivos S.A., Barcelona, Spain; Member, Aufsichtsrat, Durand and Huguenin, Basle, Switzerland; Member of the Board, General Aniline Works, New York; Member of the Board, American I.G. Chemical Co., New York; and chairman or board member of other industrial firms, combines, and enterprises within Germany, the occupied countries, and elsewhere.

SCHNEIDER—The defendant Christian Schneider, during the period from 1932 to 1945, was: Member of the Vorstand and of the Zentralausschuss (Central Committee); Chief, Sparte I (Division I); Chief, Central Personnel Department; Hauptabwehrbeauftragter (Chief Counter-Intelligence Agent), OKW-Abwehr; Hauptbetriebsfuehrer (Chief of Plant Leaders) of Farben; Member, NSDAP; Foerderndes Mitglied (Supporting Member) SS; Member, DAF (German Labor Front); Member, Beirat, Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Member, Arbeitsausschuss fuer Gesundheitsfuehrung (Committee for Supervision of Health), Reichsgruppe Industrie (Reich Group Industry); Member, Beirat (Advisory Council), Wirtschaftskammer Mittelelbe (Chamber of Economics of the Central Elbe Region); Member, Sachverstaendigenausschuss (Experts Committee); Reichstreuhaender der Arbeit (Reich Trustee of Labor); Wirtschaftsgebiet Mittelelbe (Economic Territory Central Elbe Region), Magdeburg; Member, Beirat, Industrieabteilung der Wirtschaftskammer (Industrial Department of the Chamber of Economics), Magdeburg; Vice Chairman, Industrie- und Handelskammer (Chamber of Industry and Commerce), Halle/Saale; Member, Ausschuss des Reichsinstituts fuer Berufsausbildung in Handel und Gewerbe (Committee of Reich Institute for Professional Training in Commerce and Industry); Member, Vorstand, Berufsgenossenschaft der Chemischen Industrie (Trade Association of Chemical Industry); Member, Arbeitskammer (Labor Chamber), Halle/Saale; Member, Beirat des Gauleiter der NSDAP (Advisory Council of Gau Leader of NSDAP), Gauleitung Halle-Merseburg (Gau Ad-

ministration Halle-Merseburg; Member, Arbeitsausschuss der DAF (Working Committee of German Labor Front), Gauleitung Halle-Merseburg; Member, Unternehmenfuehrerkreis (Association of Employers) of the Gauleitung Halle-Merseburg of the NSDAP; Assistant, Gauwirtschaftsberater der NSDAP (Gau Economic Advisor of NSDAP), Gauleitung Halle-Merseburg; Member, Preussischer Provinzialrat (Prussian Provincial Council); Honorary Member, Finanzgericht des Landesfinanzamts (Court of Finance of the Regional Finance Office), Magdeburg; Member, Aufsichtsrat, Deutsche Gasolin, A.G., Berlin; Member, Aufsichtsrat, Deutsche Grube A.G., Halle/Saale; Member, Verwaltungsrat, Stickstoffsyndikat G.m.b.H., Berlin; Geschaeftsfuehrer (Manager), Ammoniakwerk Merseburg G.m.b.H., Merseburg; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

AMBROS—The defendant Otto Ambros, during the period from 1932 to 1945, was: Member of the Vorstand; Member, Technischer Ausschuss (Technical Committee); Plant Manager at Auschwitz, Schkopau, Ludwigshafen, Huels, Gendorf, Dyhernfurth, and Falkenhagen; Member, Chemikalien Ausschuss (Chemicals Committee); Chairman, Kommission Kunststoff und Kautschuk (Plastics and Rubber Committee); Chairman, Kommission fuer Waschrohstoffe (Detergent Raw Materials Committee); Chairman, Zwischenprodukte Kommission (Intermediates Committee) of Farben; Member NSDAP; Member, DAF (German Labor Front); Wehrwirtschaftsfuehrer (Military Economy Leader); Holder of Ritterkreuz des Kriegsverdienstkreuzes (Knight's Cross of the War Merit Cross); Chief, Sonderausschuss Kunststoffe (Special Committee Plastics), Reich Ministry of Armaments and Munitions; Special Consultant to Chief, Abteilung Forschung und Entwicklung, Vierjahresplan (Research and Development Department, Four Year Plan); Chief, Sonderausschuss "C" (Special Committee "C"-Chemical Warfare), Hauptausschuss Pulver- und Sprengstoff (Main Committee Powder and Explosives), Ruestungslieferungsamt (Armament Supply Office); Chief, Fachabteilung Textilhilfsmittel (Sub-group Textile Auxiliaries), Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Expert for Buna, Wirtschaftsgruppe Chemische Industrie; Chairman, Produktionsausschuss (Production Committee), Fachgruppe Karbidchemie, Methanol und Holzverkohlung (Sub-group Carbide Chemistry, Methanol and Charcoal), Wirtschaftsgruppe Chemische Industrie; Member, Aufsichtsrat, Chemische Werke, Huels G.m.b.H., Huels; Member, Aufsichtsrat, Chemische Fabrik Holten G.m.b.H., Oberhausen-

Holten; Member, Aufsichtsrat, Steedener Kalkwerke G.m.b.H., Dehrn-Lahn; Geschaeftsfuehrer (Manager), Anorgana G.m.b.H., Frankfurt; Geschaeftsfuehrer, Luranil Baugesellschaft m.b.H., Ludwigshafen; Geschaeftsfuehrer, Monturon G.m.b.H., Falkenhagen; Deputy Geschaeftsfuehrer, Buna Werke G.m.b.H., Schkopau; Member, Arbeitsausschuss (Working Committee), Deutsch-Koloniale Gerbstoff Gesellschaft m.b.H., Karlsruhe; Member, Aufsichtsrat, Fuerstengrube G.m.b.H., Katowice, Poland; Member, Verwaltungsrat, S.A. de Matières Colorantes et de Produits Chimiques, Francolor, Paris, France; and chairman or board member of numerous industrial firms, combines, and enterprises within Germany and the occupied countries.

BRUEGGEMANN—The defendant Max Brueggemann, during the period from 1932 to 1945, was: Member and Secretary, Vorstand; Deputy General Manager, Leverkusen; Deputy Chief, Verkaufsgemeinschaft Pharmaceutika und Pflanzenschutz (Sales Combine Pharmaceuticals and Plants Protective Agents); Director, Legal, Patent, and Personnel Departments, Betriebsgemeinschaft Niederrhein (Works Combine Lower Rhine) of Farben; Member NSDAP; Member DAF (German Labor Front); Vice Chairman, Industrie- und Handelskammer (Chamber of Industry and Commerce), Solingen; Vice President, Verwaltungsrat, Vereinigung der Hersteller Chemisch-Pharmaceutischer Praeparate, "Vepha" (Union of the Manufacturers of Chemical-Pharmaceutical Preparations) Berlin; Member, Aufsichtsrat, Fluoritwerke A.G., Berlin; Member, Aufsichtsrat, Chemosan A.G., Troppau; member, Aufsichtsrat, Injekta A.G., Berlin; Member, Aufsichtsrat, Behringwerke A.G., Marburg; Geschaeftsfuehrer (Manager), Titangesellschaft m.b.H., Leverkusen; Member, Aufsichtsrat, Koelner Verlags-Anstalt und Druckerei A.G., Cologne; and chairman or board member of numerous industrial firms, combines, and enterprises within Germany and the occupied countries.

BUERGIN—The defendant Ernst Buergin, during the period from 1932 to 1945, was: Member, Vorstand; Member, Technischer Ausschuss (Technical Committee); Chief, Betriebsgemeinschaft Mitteldeutschland (Works Combine Central Germany); Chief, Bitterfeld Plants; Supervisor, Wolfen-Farben Plants; Chairman, Chlor-Unterkommission (Chlorine Sub-Committee) of Farben; Member, NSDAP; Member, DAF (German Labor Front); Wehrwirtschaftsfuehrer (Military Economy Leader); Collaborator of Krauch in Four Year Plan; Chairman, Technischer Ausschuss (Technical Committee), Fachgruppe Soda; Aetzalkalien, Chlor, Salzsaeure und verwandte Erzeugnisse (Sub-group Soda, Caustic Alkalines, Chlorine, Hydrochloric Acid, and related Products), Wirtschaftsgruppe Chemische Industrie

(Economic Group Chemical Industry); Member, Aufsichtsrat, Deutsche Grube A.G., Halle/Saale; Member, Aufsichtsrat, Aluminumwerk G.m.b.H., Bitterfeld; Member, Aufsichtsrat, Deutsche Magnesit A.G., Munich; Chairman, Beirat (Advisory Council), Metallguss G.m.b.H., Leipzig; Member, Beirat, Westfaelische Leichtmetallwerke, G.m.b.H., Nachrodt; Member, Aufsichtsrat, Nordisk Lettmetall A.S., Oslo, Norway; Member, Verwaltungsrat, Kraftwerk Ryburg—Schwoerstadt A.G., Rheinfelden, Switzerland; Member, Aufsichtsrat, Sociedad Electro-Quimica de Flix, Flix, Spain; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

BUETEFISCH—The defendant Heinrich Buetefisch, during the period from 1932 to 1945, was: Member, Vorstand; Chief, Leuna Works; Member, Technischer Ausschuss (Technical Committee) of Farben; Wehrwirtschaftsfuehrer (Military Economy Leader); Holder of Ritterkreuz des Kriegsverdienstkreuzes (Knight's Cross of the War Merit Cross); Member, Freundeskreis Himmler (Himmler Circle of Friends); Member, NSDAP; Obersturmbannfuehrer (Lieutenant Colonel) SS; Member, DAF (German Labor Front); Member, NSKK; Member, NSFK; Member, Bund Deutscher Technik (National Socialist Association of German Technicians); Collaborator of Krauch in Four Year Plan; Chief, Committee for Oil, Reich Ministry of Armament and Munitions; Produktionsbeauftragter (Production Commissioner) for Oil, Ruestungsministerium (Ministry of Armaments); Chief, Wirtschaftsgruppe Kraftstoff-Industrie (Economic Group Fuel Industry); Chief Arbeitsgemeinschaft fuer Hydrierung, Synthese und Schwelung (Working Association for Hydrogenation, Synthesis, and Smoldering), Wirtschaftsgruppe Kraftstoff-Industrie; President, Technischer Experten-Ausschuss (Technical Experts Committee), Convention Internationale de l'Azote (International Nitrogen Convention); Chairman, Arbeitsgemeinschaft Duengung (Working Association Fertilizers); Chairman, Aufsichtsrat, Norddeutsche Hydrierwerke Poelitz A.G., Poelitz, Pomerania; Member, Aufsichtsrat, Kontinentale Oel A.G., Berlin; Member, Aufsichtsrat, Mineraloelbaugesellschaft A.G., Berlin, Member Aufsichtsrat, Sueddeutsche Kalkstickstoffwerke A.G., Trostberg; Member, Verwaltungsrat, Stickstoff-Syndikat G.m.b.H., Berlin; Member, Vorstand, Braunkohle-Benzin A.G., Berlin; Deputy Geschaeftsfuehrer (Manager), Ammoniakwerk Merseburg G.m.b.H., Merseburg; Chief, Technischer Ausschuss (Technical Committee), Stickstoff-Syndikat G.m.b.H., Berlin; Chairman, Aufsichtsrat, Fuerstengrube G.m.b.H., Katowice, Poland; Deputy chairman, Aufsichtsrat, Steinberg Naphta A.G., Vienna, Austria;

Member, Aufsichtsrat, Stickstoffwerke Ostmark A.G., Linz, Austria; Member, Aufsichtsrat, Gewerkschaft Austrogasco, Vienna, Austria; Member, Aufsichtsrat, Donau Chemie A.G., Vienna, Austria; Chairman, Verwaltungsrat, Donau-Oel G.m.b.H., Vienna, Austria; Member, Aufsichtsrat, A.G. Dynamit Nobel, Pressburg, Czechoslovakia; Member, Aufsichtsrat, Apollo-Mineraloel-Raffinerie A.G., Pressburg, Czechoslovakia; Member, Aufsichtsrat, Stickstoffwerke A.G., Maria Rast, Yugoslavia; Member, Aufsichtsrat, Bosnische Elektrizitaet A.G., Jajce, Yugoslavia; Member, Aufsichtsrat, Nitrammonia S.A.R., Bucharest, Roumania; Member, Aufsichtsrat, Azot S.A.R., Bucharest, Roumania; Member, Aufsichtsrat, A.G. fuer industrielle Sprengstoffe, "Ipari," Budapest, Hungary; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

HAEFLIGER—The defendant Paul Haefliger, during the period from 1932 to 1945, was: Member, Vorstand; Member, Kaufmaennischer Ausschuss (Commercial Committee); Vice chairman, Central Management, Verkaufsgemeinschaft Chemikalien (Sales Combine Chemicals); Chief, Metals Section, Verkaufsgemeinschaft Chemikalien; Member, Chemikalienausschuss (Chemicals Committee); Member, Suedosteuropa-Ausschuss (Southeast Europe Committee); Member, Ostasien-Ausschuss (East Asia Committee); Member, Ost-Ausschuss (East Committee); Member, Propaganda Kommission (Propaganda Committee) of Farben; Member, DAF (German Labor Front); Chairman, Aufsichtsrat, Deutsche Edelsteingesellschaft vorm. Hermann Wild A.G., Idar-Oberstein; Deputy Chairman, Aufsichtsrat, Deutsche Magnesit A.G., Munich; Member, Verwaltungsrat; Schwefel G.m.b.H., Frankfurt; Member, Verwaltungsrat, Schwefelnatrium G.m.b.H., Frankfurt; Member, Beirat (Advisory Council) Pyrophor G.m.b.H., Essen; Member, Beirat, Westfaelische Leichtmetallwerke G.m.b.H., Nachrodt; Member, Aufsichtsrat, Chemische Werke Aussig-Falkenau G.m.b.H., Aussig, Czechoslovakia; Deputy Chairman, Aufsichtsrat, Carbidwerk Deutsch-Matrei A.G., Vienna, Austria; Member, Aufsichtsrat, Donau Chemie A.G., Vienna, Austria; Member, Beirat, Elektrochemia Suedosteuropaeische Handelsgesellschaft m.b.H., Vienna, Austria; Member, Beirat, Nordisk Lettmetall A.S., Oslo, Norway; Member, Aufsichtsrat, S.A. Magnesio Italiani Sulcis, Turin, Italy; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

ILGNER—The defendant Max Ilgner, during the period from 1932 to 1945, was: Member, Vorstand; Chief, Berlin NW 7 departments, including Wirtschaftspolitische Abteilung, WIPO

(Economic Policy Department), Volkswirtschaftliche Abteilung, VOWI (Economic Research Department), and Zentralfinanzverwaltung, ZEFI (Central Finance Administration); Member, Kaufmaennischer Ausschuss (Commercial Committee), of Farben; Member, NSDAP; Member, DAF (German Labor Front); Member, NSKK; Member, NS Reichskriegerbund (National Socialist Reich Soldiers' Association); Member, Reichsfilmkammer (Reich Film Chamber); Member, Reichskolonialbund (Reich Colonial Association); Wehrwirtschaftsfuehrer (Military Economy Leader); Member, Circle of Foreign Trade Experts, Ministry of Propaganda; Member, Circle of Foreign Trade Experts for Foreign Economic Questions; President, Vereinigung Carl Schurz (Carl Schurz Association); Vice President, Mitteleuropaeischer Wirtschaftstag (Central European Economic Diet); Member, Praesidium, Deutsch-Amerikanischer Wirtschaftsverband (German-American Economic Association); Member, Vorstand, Wirtschaftsverband fuer Mittel- und Suedamerika (Economic Association for Central and South America); Deputy Chairman, Vorstandsrat (Board of Directors), Deutsch-Bulgarische Handelskammer (German-Bulgarian Chamber of Commerce); Member, Praesidium, Deutsch-Norwegische Handelskammer (German-Norwegian Chamber of Commerce); Member, Ausschuss fuer Aussenhandel und Waehrungsfragen der Internationalen Handelskammer (Committee for Foreign Trade and Currency Questions of the International Chamber of Commerce), Paris; Deputy Member, Kuratorium (Council of Trustees), Institut fuer Konjunkturforschung (Institute for Market Analysis), Berlin; Chairman, Suedostausschuss (Southeast Committee), Reichsgruppe Industrie (Reich Group Industry); Chairman, Ungarnausschuss (Hungary Committee), Reichsgruppe Industrie; Chairman, Deutsche Gruppe des Deutsch-Rumaenischen Expertenausschusses fuer Industrie-Finanzierungsfragen (German Group of the German-Roumanian Experts Committee for Questions of Financing Industry), Reichsgruppe Industrie; Member, Beirat (Advisory Council), Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Chairman, Suedostausschuss (Southeast Committee) Wirtschaftsgruppe Chemische Industrie; Member, Arbeitskreis fuer Aussenwirtschaftsfragen (Working Committee for Foreign Trade Questions); Member, miscellaneous German political and public agencies and international propaganda associations; Member, Aufsichtsrat, Deutsche Gasolin A.G., Berlin; Member, Aufsichtsrat, Deutsche Ueberseeische Bank, Berlin; Member, Verwaltungsrat, Stickstoff-Syndikat G.m.b.H., Berlin; Geschaeftsfuehrer (Manager), Bunawerke G.m.b.H.,

Schkopau; Deputy Manager, Ammoniakwerk Merseburg G.m.b.H., Merseburg; Chairman, Aufsichtsrat, Donau Chemie A.G., Vienna, Austria; Member, Aufsichtsrat, Creditanstalt-Bankverein, Vienna, Austria; Member, Aufsichtsrat, Chemische Werke Aussig-Falkenau G.m.b.H., Aussig, Czechoslovakia; Second Vice President, Verwaltungsrat, A.G. Dynamit Nobel, Pressburg, Czechoslovakia; Chairman, Aufsichtsrat, Nordisk Lettmetall A.S., Oslo, Norway; Member, Verwaltungsrat, A.G. fuer industrielle Sprengstoffe, "Ipari," Budapest, Hungary; Member, Verwaltungsrat, Prima Societata Romana de Explosivi S.A.R., Bucharest, Roumania; Member, Verwaltungsrat, Azot S.A.R., Bucharest, Roumania; Vice President, American I.G. Chemical Corp., New York; and chairman or board member of other industrial firms, combines, enterprises within Germany, the occupied countries, and elsewhere.

JAEHNE—The defendant Friedrich Jaehne, during the period from 1932 to 1945, was: Member, Vorstand; Chairman, Technische Kommission (Engineering Committee); Chief, Engineering Department, Hoechst; Deputy Chief, Betriebsgemeinschaft Maingau (Works Combine Main Valley); Member, Technischer Ausschuss (Technical Committee), of Farben; Member, NSDAP; Member, DAF (German Labor Front); Wehrwirtschaftsfuehrer (Military Economy Leader); Member, Grosser Beirat (Greater Advisory Council), Reichsgruppe Industrie (Reich Group Industry); Member, Finanzausschuss (Finance Committee), Werkluftschutzbereichsvertrauensstelle Hessen (Hesse Regional Advisory Office for Plant Air Raid Protection), Reichsgruppe Industrie, Frankfurt; Vice Chairman and Chief, Industrie Abteilung (Industrial Department), Gauwirtschaftskammer Hessen (Gau Chamber of Economics, Hesse), Bezirksstelle Hessen (District Office Hesse), Reichsgruppe Industrie; Member, Praesidium, Deutscher Normenausschuss (German Standardizing Committee); Member, Vorstand und Beirat (Advisory Council), Reichsverband der Technischen Ueberwachungsvereine (Reich Union of Technical Supervisory Associations); Vorstand-Beiratsmitglied (Member, Advisory Council, Vorstand), and Chief, Technischer Ausschuss (Technical Committee), Berufsgenossenschaft der Chemischen Industrie (Trade Association of the Chemical Industry); Bezirksbevollmaechtigter fuer Wirtschaftstransporte der Reichsbahndirektion (Regional Plenipotentiary for Business Transports of the Reich Railway Management), Frankfurt; Member, Kuratorium (Board of Trustees), Reichs-Roentgenstelle beim Staatlichen Materialpruefungsamt (Reich X-Ray Agency of the Government Office for Testing of Materials), Berlin; Member, Grubenvorstand (Mine Management), Gewerkschaft Auguste-

Victoria, Marl-Huels; Member, Aufsichtsrat, Gesellschaft fuer Lindes Eismaschinen A.G., Hoellriegelskreuth; Member, Aufsichtsrat, Alzerke G.m.b.H., Munich; and chairman or board member of numerous industrial firms, combines, and enterprises within Germany and the occupied countries.

KUEHNE—The defendant Hans Kuehne, during the period from 1932 to 1945, was: Member, Vorstand; Member, Technischer Ausschuss (Technical Committee); Chief, Anorganische Kommission (Inorganic Committee); Chief, Betriebsgemeinschaft Niederrhein (Works Combine Lower Rhine); Betriebsfuehrer (Plant Leader), Leverkusen Plant, of Farben; Member, NSDAP; Member, DAF (German Labor Front); Member, Beirat (Advisory Council) and Industrie-Abteilung (Industrial Department), Wirtschaftskammer (Chamber of Economics), Duesseldorf; Member, Beirat, Handelskammer (Chamber of Commerce), Muenchen-Gladbach; Member, Bezirksarbeitskammer (District Labor Chamber), Essen; Geschaeftsfuehrer (Manager), Ostmark Branch Office, Wirtschaftsgruppe Metallwaren und verwandte Industriezweige (Economic Group Metal Goods and Related Industrial Products); Chairman, Aufsichtsrat, Duisburger Kupferhuette, Duisburg; Deputy Chairman, Aufsichtsrat, A.G. fuer Lithoponefabrikation, Wuenschendorf/Elster; Deputy Chairman, Aufsichtsrat, Erzgesellschaft zur Erschliessung von Nichteisenmetallen m.b.H., Berlin; Member, Aufsichtsrat, A.G. fuer Chemische Industrie, Gelsenkirchen-Schalke; Member, Aufsichtsrat, Rheinisch-Westfaelisches Elektrizitaets-Werk A.G., Essen; Member, Aufsichtsrat, Rheinische Fluss- und Schwerspatwerke A.G., Frankfurt; Member, Aufsichtsrat, Sachtleben A.G. fuer Bergbau und Chemische Industrie, Cologne; Member, Aufsichtsrat, Chemische Werke Huels G.m.b.H., Huels; Member, Verwaltungsrat, Chemische Fabrik Marienhuette G.m.b.H., Fuerstenwalde/Spree; Geschaeftsfuehrer (Manager), Titangesellschaft m.b.H., Leverkusen; Member, Gesellschaftsrat (Company Council), Deutsche Aktivkohle G.m.b.H., Frankfurt; Director General and Chairman, Vorstand, Donau Chemie A.G., Vienna, Austria; Member, Aufsichtsrat, Chemische Werke Aussig-Falkenau G.m.b.H., Aussig, Czechoslovakia; Vice Chairman, Verwaltunsgrat, A.G. Dynamit Nobel, Pressburg, Czechoslovakia; Member, Aufsichtsrat, Societa Italiana del Litopone, Milan, Italy; Member, Aufsichtsrat, Societa Italiana Carboni Attivi, Milan, Italy; Vice Chairman, Aufsichtsrat, Lack- und Oelindustrie A.G., Zagreb, Yugoslavia; Chairman, Verwaltungsrat, Bosnische Elektrizitaets A.G., Jajce, Yugoslavia; Vice Chairman, Verwaltungsrat, Stickstoffwerke A.G., Maria Rast, Yugoslavia; and chairman or board member of numerous

industrial firms, combines, and enterprises within Germany and the occupied countries.

LAUTENSCHLAEGER—The defendant Carl Ludwig Lautenschlaeger, during the period from 1932 to 1945, was: Member, Vorstand; Member, Technischer Ausschuss (Technical Committee); Betriebsfuehrer (Plant Leader), Hoechst Plant; Chief, Betriebsgemeinschaft Maingau (Works Combine Main Valley) of Farben; Member, NSDAP; Member, DAF (German Labor Front); Wehrwirtschaftsfuehrer (Military Economy Leader); Member, Vorstand, Koch Institut, Frankfurt; Member, Vorstand, Behring Institut, Marburg; Member, Forschungsrat (Research Council), Kaiser Wilhelm Gesellschaft fuer Psychiatrie (Kaiser Wilhelm Society for Psychiatry), Munich; Deputy Chairman, Aufsichtsrat, A.G. zur Gemeinnuetzigen Beschaffung von Wohnungen, Frankfurt; Member, Aufsichtsrat, Behringwerke A.G., Marburg; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

MANN—The defendant Wilhelm Rudolf Mann, during the period from 1932 to 1945, was: Member, Vorstand; Member, Kaufmaennischer Ausschuss (Commercial Committee); Member, Ostasien-Ausschuss (East Asia Committee); Chairman, Ost-Ausschuss (East Committee); Pharmazeutische Hauptkonferenz (Pharmaceutical Main Committee); Member, Pharmazeutische Wissenschaftliche und Technische Zentralkonferenz (Pharmaceutical Scientific and Technical Central Committee); Chief, Verkaufsgemeinschaft Pharmazeutica and Pflanzenschutz (Sales Combine Pharmaceuticals and Plant Protective Agents) of Farben; Member, NSDAP; Sturmfuehrer (Lieutenant) SA; Member, DAF (German Labor Front); Reichswirtschaftsrichter (Reich Economic Judge); Member, Grosser Beirat (Greater Advisory Council), Reichsgruppe Industrie (Reich Group Industry); Chairman, Kolonialwirtschaftlicher Ausschuss (Colonial Economy Committee), Reichsgruppe Industrie; Member, Werberat der Deutschen Wirtschaft (Council for Propaganda of German Economy), Ministry of Propaganda; Member, Ausschuss fuer Allgemeine Angelegenheiten (Committee for General Affairs) and Ausschuss fuer Auslandswerbung (Committee for Foreign Propaganda), Werberat der Deutschen Wirtschaft; Member, Beirat (Advisory Council) Forschungsinstitut fuer Werbewissenschaft (Research Institute for Science of Propaganda) Berlin; Member, Staendiger Beirat (Permanent Advisory Council), Wirtschaftsstelle des Reichsverbandes der deutschen Zeitungsverleger (Economic Office of the Reich Union of German Newspaper Publishers), Berlin; President, Gesellschaft fuer Konsumforschung (Society for Consumer Research), Berlin; Member, Verwaltungsrat, Insti-

tut fuer Wirtschaftsbeobachtung der deutschen Fertigware (Institute for Economic Observation of German Finished Goods), Nuernberg; Deputy Chairman, Aufsichtsrat, Behringwerke A.G., Marburg; Deputy Chairman, Aufsichtsrat, Chemisch-Pharmazeutische A.G., Homburg, Frankfurt; Chairman, Verwaltungsrat, "Degesch," Deutsche Gesellschaft fuer Schaedlingsbekaempfung m.b.H., Frankfurt; Chairman, Aufsichtsrat, Chemosan Union A.G., Vienna, Austria; Chairman, Aufsichtsrat, Hellco A.G., Troppau, Czechoslovakia; and chairman or board member of other industrial firms, combines, and enterprises within Germany, the occupied countries, and elsewhere.

OSTER—The defendant Heinrich Oster, during the period from 1932–1945, was: Member, Vorstand; Member, Kaufmaennischer Ausschuss (Commercial Committee); Member, Ostasien-Ausschuss (East Asia Committee); Chief, Verkauf Stickstoff und Oel (Sales Organization Nitrogen and Oil) of Farben; Member, NSDAP; Foerderndes Mitglied (Supporting member), SS-Reitersturm; Member, DAF (German Labor Front); Chief, Fachabteilung Stickstoff (Subdepartment Nitrogen); Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Member, Arbeitskammer (Labor Chamber), Berlin-Brandenburg; Member, Unterausschuss Duengemittel und Sprengstoffe (Subcommittee Fertilizers and Explosives), Gau Berlin; Member, Hauptausschuss Chemie (Main Committee Chemistry), Gau Greater Berlin; Geschaeftsfuehrer (Manager), Stickstoff-Syndikat G.m.b.H., Berlin; Geschaeftsfuehrer, Stickstoff Ost G.m.b.H., Berlin; Deputy Geschaeftsfuehrer, Ammoniakwerk Merseburg G.m.b.H., Merseburg; Member, Aufsichtsrat, Sueddeutsche Kalkstickstoffwerke A.G., Trostberg; Member, Aufsichtsrat, Stickstoffwerke Ostmark A.G., Linz, Austria; Member, Vorstand, Norsk Hydro Elektrisk Kvaelstofaktieselskabet, Oslo, Norway; Member, Aufsichtsrat, Stickstoffwerke, A.G., Maria Rast, Yugoslavia; and chairman or board member of other industrial firms, combines, enterprises, and banks within Germany, the occupied countries, and elsewhere.

WURSTER—The defendant Carl Wurster, during the period from 1932 to 1945, was: Member, Vorstand; Member, Technischer Ausschuss (Technical Committee); Chief, Betriebsgemeinschaft Oberrhein (Works Combine Upper Rhine); Betriebsfuehrer (Plant Leader), Ludwigshafen-Oppau; Member, Chemikalien-Ausschuss (Chemicals Committee); Chairman, Anorganische Kommission (Inorganic Committee) of Farben; Member, NSDAP, Member, DAF (German Labor Front); Wehrwirtschaftsfuehrer (Military Economy Leader); Holder of Ritterkreuz des Kriegsverdienstkreuzes (Knight's Cross of the War

Merit Cross); Collaborator of Krauch in Four Year Plan, Amt fuer Deutsche Roh- und Werkstoffe (Office for German Raw Materials and Synthetics); Acting Vice Chairman and Member, Praesidium, Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Chief and Chairman, Technischer Ausschuss (Technical Committee), Fachgruppe Schwefel und Schwefelverbindungen (Subgroup for Sulphur and Sulphur Compounds), Wirtschaftsgruppe Chemische Industrie; Member, Beirat (Advisory Council), and Bezirksobmann (District Chairman), Saarpfalz, Wirtschaftsgruppe Chemische Industrie; Member, Beirat, Wirtschaftskammer Westmark (Chamber of Economics, Westmark), Saarbruecken; President, Wirtschaftskammer Ludwigshafen (Chamber of Economics, Ludwigshafen); Member, Aufsichtsrat, Sueddeutsche Holzverzuckerungswerke A.G., Regensburg; Member, Aufsichtsrat, Duisburger Kupferhuette, Duisburg; and chairman or board member of other industrial firms, combines, enterprises within Germany, the occupied countries, and elsewhere.

DUERRFELD—The defendant Walter Duerrfeld, during the period from 1932 to 1945, was: Director, Chief Engineer, Leuna Works; Director and Construction Manager, Buna-Auschwitz Plant and Monowitz Concentration Camp of Farben; Member, NSDAP; Member, DAF (German Labor Front); Hauptsturmfuehrer (Captain), NSFK; Bezirksobmann (District Chairman), Upper Silesia, Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry).

GATTINEAU—The defendant Heinrich Gattineau, during the period from 1932 to 1945, was: Director; Chief, Wirtschaftspolitische Abteilung, WIPO (Economic Policy Department); Deputy Liaison Officer of the I.G. Sparten (Divisions) for Austria; Member, Suedosteuropa-Ausschuss (Southeast Europe Committee) of Farben; Member, NSDAP; Standartenfuehrer (Colonel) SA; Member, DAF (German Labor Front); Member, Werberat der Deutschen Wirtschaft (Council for Propaganda of German Economy), Ministry of Propaganda; Member, Committee for Southeast Europe, Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Member, Vorstand, Donau Chemie A.G., Vienna, Austria; Acting Director, A.G. Dynamit Nobel, Pressburg, Czechoslovakia; Acting Director, Chemische Industrie A.G., Pressburg, Czechoslovakia; Member, Vorstand, Ostslowakische Chemische Fabrik A.G., Kostolany, Czechoslovakia; Member, Verwaltungsrat, Dynamona A.G., Pressburg, Czechoslovakia; Member, Verwaltungsrat, Apollo Naphtahandels A.G., Prague, Czechoslovakia; Member, Verwaltungsrat, Nobel-Bickford A.G., Pressburg, Czechoslovakia; Member, Verwaltungs-

rat, Apollo Mineraloel Raffinerie A.G., Pressburg, Czechoslovakia; Member, Verwaltungsrat, Stickstoffwerke A.G., Maria Rast, Yugoslavia; Chairman, Verwaltungsrat, Lack- und Oelindustrie A.G., Zagreb, Yugoslavia; Chairman, Verwaltungsrat, A.G., Dynamit Nobel, Belgrade, Yugoslavia; Member, Verwaltungsrat, Bosnische Elektrizitaets A.G., Jajce, Yugoslavia; Member, Verwaltungsrat, A.G. fuer Sprengstoff und Chemische Produkte, Zagreb, Yugoslavia; Member, Verwaltungsrat, Azot S.A.R., Bucharest, Roumania; Member, Verwaltungsrat, Prima Societata Romana de Explosivi S.A.R., Bucharest, Roumania; Member, Verwaltungsrat, Nitrammonia S.A.R., Bucharest, Roumania; Member, Verwaltungsrat, A.G. fuer industrielle Sprengstoffe, "Ipari," Budapest, Hungary; and chairman or board member of other industrial firms, combines, and enterprises within Germany and the occupied countries.

VON DER HEYDE—The defendant Erich von der Heyde, during the period from 1932 to 1945, was: Prokurist; Member, Wirtschaftspolitische Abteilung, WIPO (Economic Policy Department); Chief, Liaison Office, Nitrogen and Gasoline, Berlin NW 7; Deputy to Schneider, Hauptabwehrbeauftragter (Counterintelligence Agent), Counterintelligence Branch OKW, in charge of defense and counterintelligence of Berlin NW 7 office of Farben; Member, NSDAP; Member, DAF (German Labor Front); Hauptsturmfuehrer (Captain) SS; Member, Wehrwirtschafts-Ruestungsamt (Military Economics and Armaments Office) of OKW.

KUGLER—The defendant Hans Kugler, during the period from 1932 to 1945, was: Director; Member, Kaufmaennischer Ausschuss (Commercial Committee); Second Vice Chairman, Farben Ausschuss (Dyestuffs Committee); Member, Engerer Farben-Ausschuss (Dyestuffs Steering Committee); Member, Coloristische Kommission (Dyestuffs Application Committee); Chief, Sales Department Dyestuffs for Hungary, Roumania, Yugoslavia, Greece, Bulgaria, Turkey, Czechoslovakia, Austria, the Near East, and Africa; Member, Suedosteuropa-Ausschuss (Southeast Europe Committee) of Farben; Member, NSDAP; Member, DAF (German Labor Front); Deputy Chief, Fachgruppe 16, Teerfarben und Teerfarbenzwischenprodukte (Subgroup 16, Tar Dyes and Tar-Dye Intermediates), Wirtschaftsgruppe Chemische Industrie (Economic Group Chemical Industry); Member, Beirat fuer Exportfragen der Pruefungsstelle Chemie (Advisory Council for Export Questions of the Supervisory Office Chemistry); Reich Economic Ministry Commissioner, Aussig-Falkenau Factories; Verein fuer Chemische und Metallurgische Produktion, Prague, Czechoslovakia; Acting Manager, Teerfarbenwerke Aus-

sig G.m.b.H., Aussig, Czechoslovakia; Member, Beirat (Advisory Council), Chemische Werke Aussig-Falkenau G.m.b.H., Aussig, Czechoslovakia; Member, Commercial Committee, S.A. de Matières Colorantes et Produits Chimiques, Francolor, Paris, France.

APPENDIX B

Historical Listing of the Firms which were Merged in 1926 to Form Farben

In 1904, the first Interessengemeinschaft (Combine of Interests, or Trust) of the German Dyestuffs Industry was formed, consisting of the following firms:

Badische Anilin & Soda Fabrik, of Ludwigshafen
Farbenfabriken, vorm. Friedrich Bayer & Co., of Leverkusen
Farbwerke, vorm. Meister Lucius & Bruening, of Hoechst am Main
Aktiengesellschaft fuer Anilinfabrikation, of Berlin
Leopold Cassella & Co., G.m.b.H., of Frankfurt am Main
Kalle & Co., A.G., of Biebrich.

These concerns had been formed in the 1860's and individually represented the most powerful chemical firms in Germany. With the 1904 pooling of technological and financial resources, these six firms achieved an almost complete domination of the organic dyestuffs, pharmaceuticals, explosives, and synthetic chemical industries of the world.

In 1916, the Chemische Fabriken, vorm. Weiler-ter Meer, Uerdingen, and Chemische Fabrik Griesheim-Elektron, Frankfurt am Main, were brought into the combine.

On 9 December 1925, the Badische Anilin- und Soda-Fabrik, the largest of the component firms of the Interessengemeinschaft changed its name to I.G. Farbenindustrie Aktiengesellschaft, and transferred its home office to Frankfurt. Five other firms were merged with Badische:

Farbenfabriken, vorm. Friedr. Bayer & Co., of Leverkusen
Farbwerke, vorm. Meister Lucius & Bruening, of Hoechst am Main
Aktiengesellschaft fuer Anilinfabrikation, of Berlin
Chemische Fabriken, vorm. Weiler-ter Meer, Uerdingen
Chemische Fabrik Griesheim-Elektron, Frankfurt a.M.

The two firms, Leopold Cassella & Co., G.m.b.H., and Kalle & Co., Aktiengesellschaft, which had belonged to the 1904 combine, were not included in the formal merger since the majority of their

shares were already held by other firms. They were included, however, in the reorganization attending the merger.

In 1926, after the formal incorporation, a number of concerns were brought into the development of the combine. Among these were five of Germany's most important explosives companies:

Dynamit-Aktiengesellschaft, vorm. Alfred Nobel & Co., Troisdorf
Rheinisch-Westfaelische Sprengstoff-A.G., Cologne
Aktiengesellschaft Siegener Dynamitfabrik, Cologne
A. Riebeck'sche Montanwerke A.G., Halle/Saale
Koeln-Rottweil A.G., Berlin

II. ARRAIGNMENT

(Official Transcript of the American Military Tribunal No. VI in the matter of the *United States of America against Carl Krauch et al*, defendants, sitting at Nuernberg, Germany on 14 August 1947, 1000, Justice Shake presiding.)

THE MARSHALL: The Honorable, the Judges of Military Tribunal VI. Military Tribunal No. VI is now in session. God save the United States of America and this Honorable Tribunal.

There will be order in the courtroom.

PRESIDING JUDGE SHAKE: Military Tribunal No. VI will come to order.

The Tribunal will now proceed with the arraignment of the defendants in Case 6 pending before this Tribunal. The Secretary-General will call the roll of defendants.

THE SECRETARY-GENERAL: Each defendant will stand and answer present when his name is called.

(The Secretary-General then called the roll of defendants).

Carl Krauch, Hermann Schmitz, Georg von Schnitzler, Fritz Gajewski, Heinrich Hoerlein, August von Knieriem, Fritz ter Meer, Christian Schneider, Otto Ambros, Max Brueggemann—

BRIGADIER GENERAL TELFORD TAYLOR: May it please Your Honor, defendant Brueggemann is at present in a hospital near Duesseldorf in the British Zone of Occupation. Brueggemann was served with the indictment on 18 June 1947. Two days prior, on 16 June, Brueggemann's counsel, Dr. Klefisch, filed a letter in the nature of a motion with the Secretary-General asking that the proceedings against Brueggemann be temporarily quashed or separated from the trial of the other defendants and that Brueggemann be released from custody in the interest of his health. The prosecution answered this motion on 24 June, and there appears to be no substantial conflict between the prosecution and the defense on this matter. Both the motion and the answer agree, on the basis of the medical reports, that defendant Brueggemann is not at present able to stand trial without serious danger to his life. The prosecution in its answer has suggested, in accordance with a procedure which the International Military Tribunal adopted in the case of Gustav Krupp von Bohlen, that an order be made here postponing for an indefinite time the proceedings against Brueggemann but directing that the charges in

the indictment be retained upon the docket of the Military Tribunals for trial thereafter, if the physical and mental condition of the defendant should permit. The Tribunal may, of course, wish to have a further medical examination of Brueggemann before deciding this matter. So far as the prosecution is concerned, we would have no objection to the entrance of an order severing the proceedings against Brueggemann at this time. In accordance with Dr. Klefisch's request, and on the basis of the medical reports, Brueggemann was released from the Nuernberg jail on 7 July and, as I have said, he is presently hospitalized near Duesseldorf in the British Zone, where he is under surveillance.

PRESIDING JUDGE SHAKE: The Tribunal will pass upon that matter at the conclusion of the call of the defendants. You may proceed, Mr. Secretary.

THE SECRETARY-GENERAL: (Continuing) : Ernst Buergin, Heinrich Buetefisch, Paul Haefliger, Max Ilgner, Friedrich Jaehne, Hans Kuehne, Carl Lautenschlaeger—

PRESIDING JUDGE SHAKE: Is counsel for the defendant present? Do you desire to make some observation to the Court with reference to this defendant?

DR. PRIBILLA: No.

PRESIDING JUDGE SHAKE: I may say to counsel that it has come to the attention of the Tribunal that the only son of this defendant passed away last night. I don't know whether the defendant himself yet knows of this fact, but under the circumstances we have excused him from attendance here this morning, and we will dispose of this matter too at the end of the roll-call. You may proceed.

THE SECRETARY-GENERAL (Continuing) : Wilhelm Mann, Heinrich Oster, Carl Wurster—

BRIGADIER GENERAL TAYLOR: May it please the Court, defendant Wurster is at present in a hospital at Ludwigshafen in the French Zone of Occupation. After the indictment in this case was filed, the prosecution learned that defendant Wurster had sustained an injury to his shoulder and that an operation had been performed, and that Wurster was hospitalized in consequence thereof. According to the advice of the French doctors who treated Wurster, it appeared that he could not be moved to Nuernberg, at least for several weeks. Accordingly, arrangements were made to serve the indictment on defendant Wurster at Ludwigshafen in the French Zone, and that was done by the Marshal of the Court on 20th of June 1947. Thereafter, defendant Wurster was further affected by a heart condition which further delayed his transfer to Nuernberg. Defense counsel for Wurster, Dr. Wagner, has filed a motion requesting in

the alternative that the defendant be discharged or that the proceedings against him be severed from the proceedings against the other defendants. The prosecution filed an answer to this petition on the 25th of July 1947, to which Dr. Wagner filed a further reply on the 4th of August. The defendant's motion and the answer are pending before the Tribunal for disposition and can be dealt with now or later in the discretion of the Tribunal. The prosecution has just received information that defendant Wurster was examined on 12 August 1947 by an American military doctor and is advised that Wurster could now be transported under proper physical safeguards to Nuernberg. The prosecution will, when the Court hears this matter, oppose Dr. Wagner's request that the proceedings be severed although we, of course, have no objection to such further medical examinations as the Court may direct.

THE SECRETARY-GENERAL (Continuing): Walter Duerrfeld, Heinrich Gattineau, Erich von der Heyde, and Hans Kugler.

May the Honorable Tribunal please, all defendants except Max Brueggemann, Carl Wurster, and Carl Lautenschlaeger are present and in the dock.

PRESIDING JUDGE SHAKE: On the basis of the showings made, the arraignment of the defendant Carl Lautenschlaeger will be postponed until the next session of the Tribunal.[1] The arraignment and trial of the defendants Brueggemann and Wurster will be postponed until such time as they are present or, in the alternative, until the further order of the Tribunal.[2] In the meanwhile, the charges against the defendants Brueggemann and Wurster will be continued and the indictments against them will not be dismissed, but their names may be omitted from the list of the defendants now before the Tribunal for trial.

The Secretary-General will now call the defendants in the dock, one by one, for arraignment.

THE SECRETARY-GENERAL: Carl Krauch—

DR. CONRAD BOETTCHER (counsel for the defendant Krauch): Mr. President, before this question is put to the defendants, I should like to have your permission, on behalf of all defense counsel and all defendants, to make a brief declaration with regard to this question.

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[1] Defendant Carl Lautenschlaeger was arraigned and pleaded not guilty on 27 August 1947, just preceding the opening statement of the prosecution.

[2] The charges against defendant Brueggemann were severed from the charges against the other defendants by a Tribunal order of 9 September 1947. The prosecution and defense had joined in requesting the severance because of physical inability of the defendant to stand trial. The motions and order are reproduced in section XX C 2, volume XV, this series. The defendant Carl Wurster was arraigned and pleaded not guilty on 17 September 1947. This was after nine sessions of the Tribunal devoted to the hearing of argument and the receipt of evidence.

PRESIDING JUDGE SHAKE: Yes.

DR. BOETTCHER: Your Honor, my name is Boettcher, Dr. Conrad Boettcher, attorney-at-law and defense counsel for the defendant, Professor Dr. Krauch. At this time I am also speaking on behalf of all defense counsel present in this court room. At this point we must deal with two principal objections against these proceedings. The two points which I wish to deal with are these: I am, first of all, objecting to this indictment as such since it does not correspond with the form prescribed in Ordinance Number 7.* According to this Ordinance No. 7, paragraph IV, the indictment must make it plain, to a sufficiently clear extent, what charges are being preferred against individual defendants. This, however, is not the case, particularly since the legal concept of conspiracy—at least as far as counts two and three of the indictment are concerned, that is war crimes and crimes against humanity—has been declared not applicable. For that reason, the prerequisites for this trial are not sufficiently in existence, namely; the question cannot at this point be put to the defendants whether they are guilty or not guilty. Secondly, according to Ordinance No. 7 as well as to the American Constitution, the defendants are entitled to a fair trial. Article 5 of the American Constitution gives the defendants certain rights which—to judge from the past course of the proceedings and because of the volume of the evidence as well as the particularly great difficulties encountered in preparing the defense—have so far not been fully granted to the defendants.

My argument with regard to these two points is the following:

With regard to the first point, I have already stated that proceedings cannot be continued because the provisions contained in article IV of Ordinance No. 7, dealing with the prerequisites for the beginning of the trial, have not yet been complied with. Article IV, subparagraph a, provides that the indictment must specify clearly and simply the points of the indictment and must produce sufficient details in order to enable the defendant to be aware of the accusations and charges raised against him.

These requirements have not been met sufficiently in the indictment, either as regards the statement of the facts allegedly constituting the crime of conspiracy or as regards the expositions concerning the defendant's alleged "participation" within the meaning of Control Council Law No. 10, to support the first three counts of the indictment which are based upon the principle of individual guilt. In the proceedings before the IMT, although

* Military Government Ordinance No. 7, Control Council Law 10, the Charter of the International Military Tribunal, and other basic enactment and agreements are reproduced in volumes I, III, IV, VI, X, and XII of this series. These volumes are the first volumes of each subject unit as shown on Preface page IV.

conspiracy—as a special form of participation under Anglo-Saxon law—formed the basis of the indictment, the prosecution at that time considered it essential to state, in Appendix A of the indictment, with regard to every individual defendant, which points were applicable to his case and which particular acts were considered to violate the individual determinations of the various forms of participation in his individual case.

As far as this indictment here is concerned, a ruling was made upon "conspiracy," excluding, however, count one of the indictment, in a decision of the Military Tribunals at Nuernberg on the basis of the joint session of 9 July 1947; that is to say, after this present indictment was filed. The decision of the joint Tribunal was binding for all decisions of the Tribunals to be made later; it declared that conspiracy was not an independent charge and, therefore, could not form a separate count of the indictment. For that reason, too, the prosecution will have to set down with infinitely greater detail than was previously necessary, even in the written indictment, the concrete facts charged against every one of the 24 defendants.

As long as this faulty procedure, to which I object, has not been remedied, it cannot be said that the "sufficient particulars" prescribed by Ordinance No. 7, to inform the defendant of the charges levelled against him, have been submitted. Consequently, certain necessary prerequisites for the proceedings are lacking, without which the trial must not open and the defendants must not be asked whether they wish to plead "guilty" or "not guilty."

I do not wish to create a misunderstanding. All defendants do feel that they are not guilty. However, that would not affect our objection which is to the effect that, on the basis of the indictment in the form in which we have it here before us, the question of guilty or not guilty cannot be put to them at all if the rules for procedure are to be observed. If, very occasionally, individual names with regard to individual counts are mentioned in the indictment at all, then it is not recognizable whether the charges are applicable to those defendants named in that connection and are to be restricted to them. In most cases, there is no indication at all as to which one of the 24 [23] defendants is to be charged with the individual count of the indictment. Let me mention only two out of many examples in order to elucidate the shortcomings with which I am dealing. I quote from page 5 of the original indictment:

> "All defendants acting through the instrumentality of Farben and otherwise, with divers other persons, during a period of years preceding 8 May 1945, participated in the planning, prep-

aration, initiation and waging of wars of aggression and invasions of other countries * * *"

I shall now quote from page 38 of the original indictment:

"All of the defendants, acting through the instrumentality of Farben and otherwise, with divers other persons, during the period from 12 March 1938 to 8 May 1945, committed war crimes and crimes against humanity as defined in article II of Control Council Law No. 10, in that they participated in the plunder of public and private property, exploitation, spoliation, and other offenses against property in countries and territories which came under the belligerent occupation of Germany in the course of its invasions and aggressive wars."

This is why the defense requests this Tribunal to decide that the indictment is insufficient and inadmissible; or, at least, to order the prosecution to submit the necessary supplement to this indictment before beginning to state its case in chief, and, after the submission of the completed indictment, to allow a sufficient period to elapse in order to enable the defense to make a statement in reply to this new indictment.

The documents hitherto handed over to the defense by the prosecution do not compensate for the insufficiency of the indictment to which I have just objected. The violation of the cogent rules contained in article IV of Ordinance No. 7 cannot be remedied by the submission of such documents. Since the indictment as such is meant to contain those details, the submission of documents is a meaningless gesture on the part of the prosecution. The documents contain nothing about the participation of individual defendants, they have no relation to most of the defendants, and are unintelligible even if read in connection with the indictment in its present wording, which we consider incomplete.

I shall now turn to my argument concerning point two. It is the considered duty of the defense to point out again and again that the unfavorable circumstances prevailing in Germany at this time, which affect the defense much more than the prosecution, make it practically impossible to work in a trial of such international significance as this and to balance the overpowering strength of the prosecution.

The defense is aware of the fact that the Tribunal and the prosecution are not in a position to eliminate the effects of these unusual circumstances, neither do we expect the beginning of the trial to be postponed until these conditions have shown a general improvement. The defense considers these unusual difficulties, however, to be additional burdens which it must bear in every instance in view of the situation. What, however, does not appear

reasonable to the defense is that, beyond this, the defense is burdened with the restrictions which can be removed; or hampered by the refusal of favors which could be granted. The most important factor is that of time. Whereas the prosecution has had two years to collect and screen prosecution material and has had at its disposal a large organization over a period of years, the defense has only had very few, in fact, in some cases only three to four weeks, to exploit the possibilities of preparing the trial material after they [defense counsel] were admitted before this Tribunal. In particular, contrary to the position of the prosecution, the defense has had an utterly inadequate staff at its disposal.

The attorneys designated as defense counsel were prohibited from carrying out any type of activities before the indictment was served on the defendants, although the defendants have been imprisoned now for years. According to American law, it is true that the prosecution is not obliged to submit to the defense, before the beginning of the trial, all incriminating evidence. The defense, however, would like to point out that, due to the confiscation of the property of the IG, the entire files of the I. G. Farbenindustrie were, first of all, not accessible; and that only a few weeks ago did defense counsel have free access to this material in the Document Center at Frankfurt. It is obvious that this documentary material must first be screened and examined as to its value for the defense, and that necessitates extensive and hard work. What is of particular significance is the fact that, in spite of repeated applications, the defendants who are indicted as a group have not, up to now, had any possibility whatever of having joint conferences, availing themselves of the material which they had at their disposal in order to prepare their defense. They were not in a position to examine the events on which the indictment is based and of which one defendant knows the economic side only, the other only the technical side, the third only the financial angle; and to discuss such events jointly, and sometimes to reconstruct the developments in order to give the necessary information on the entire question to their defense counsel. Only when defense counsel are in possession of this information will they be able to put pertinent questions during cross-examination to the witnesses called by the prosecution. In view of the outstanding importance of cross-examination before an Anglo-Saxon court, it would not help the defense at all if, between the case in chief of the prosecution and the case of the defense, an adjournment were granted, such as the prosecution refers to in its reply dated 18 July. The decision rejecting the application for an adjournment, made on 30 July by the acting Tribunal, refers also to this possi-

bility.[1] Apart from this, the defense memorandum of 25 July [a statement by Dr. Wahl on difficulties in clarifying questions raised by American law in the I.G. Farben trial] was submitted on 30 July as a part of the defense reply to the prosecution answer, and presumably, for technical reasons, was not submitted to the acting Tribunal when the decision [denying the motion for a three months postponement of trial] was taken.[2] Consequently the decision of the acting Tribunal was handed down without the defense statements (which were made in reply to the prosecution statement) being known to the Tribunal. Defense wishes to make it clear to this Tribunal that the postponement of the beginning of the trial alone would not alleviate the emergency concerning the preparation of the case; in addition to gaining time, the other defense applications dealing with the creation of proper external prerequisites for these proceedings would have to be granted in order to safeguard a fair trial. No doubt, in the meantime, the Tribunal will have received the applications in question. They deal with the problem of obtaining legal evidence and documents from abroad. They deal with the admission of further German and foreign defense counsel and adequate staff. They deal with the creation of a considerably larger financial basis for the payment of defense, and with granting of at least the simplest technical facilities, such as for instance, the availability of sufficient offices in the building, typewriters, the possibilities of putting through telephone calls, and similar points.

It is inadequate, for the work to be done on such voluminous complicated trial material, for a defendant to have only two lawyers—one chief defense counsel and one assistant—at his disposal, helped by one single secretary. Further, intolerable conditions arise from the fact that defense counsel of various defendants are forced to work together in one room, as is the case at present, and other defense counsel have no offices at all. A further impediment which probably cannot be understood by anyone who has not experienced it himself, is the difficulties which we meet in connection with journeys frequently necessary to locate witnesses and documents. Defense counsel have no motor cars and insufficient gasoline. Journeys made by train, due to

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[1] An earlier defense motion for a postponement of the trial for three months had been filed on 7 July 1947, more than a month before a tribunal had been assigned to the trial of the Farben case. On 30 July 1947, this motion was denied without prejudice by an order of the presiding judges of all the tribunals then constituted in Nuernberg. The earlier defense motion, the prosecution's answer, and the order are reproduced in section XIV F 2, volume XV, this series.

[2] On the same day that the presiding judges denied the defense motion for a three months postponement of the trial, 30 July 1947, the defense filed a reply to the prosecution answer of 18 July 1947. The order of the presiding judges makes no reference to the defense reply, and since it had to be translated after filing, it is unlikely that the defense reply was before the presiding judges when they denied the defense motion.

catastrophic traffic conditions, are an unusual waste of time and are extraordinarily exhausting. Let me draw your attention to the particular difficulties which now arise, and which did not arise in this form in any other of the trials which have been in progress in Nuernberg up to now. The extent of the international business activities of the I.G. Farbenindustrie, which to a considerable extent have been made the subject of this indictment, necessitates extensive contacts of the defense with sources abroad if the subject is to be properly clarified. It is impossible to use correspondence, or even to use lawyers who are not familiar with the material, to elucidate these points in the foreign countries concerned. In fact, they can only be handled by defense counsel themselves with a reasonable chance of success; particularly since the defense secrecy cannot be observed properly because of censorship, if correspondence alone were used. The defense knows the difficulties which would arise if journeys abroad were made, due to the condition in which Germany now finds herself. The defense feels it necessary to draw your attention to the fact that, without a satisfactory solution to these questions, a fair defense will not be possible.

This motion is a repetition of the basic requests for an adjournment which we handed in on 3 July, 30 July, and 7 August 1947. All other motions made in connection with these are repeated, and an early decision of the Tribunal is requested. The motions can be summarized as follows:

A request for adjournment of the beginning of the trial for 6 months to ensure a more efficient presentation on the part of defense. Request that the Office of the Secretary-General and the prosecution be instructed that facilities for an adequate and properly conducted defense be arranged.

It may appear to be somewhat petty for these technical matters contained in the defense applications to play such a large part, but one must have encountered from experience the difficult, unpleasant, and sometimes almost hopeless struggle with the difficulties presented by daily life in order to feel our depression concerning the magnitude of the task we have to perform with the insufficient means available.

The defense, therefore, begs of this Tribunal, when dealing with its applications, to realize that, for the first time in history, the heads of a large international industrial enterprise are under indictment—men whose scientific accomplishments, economic solidity, and broad international outlook have been recognized the world over; and that the accusations raised are in some respect appalling. The defendants themselves are keenly interested in proving to the world that these charges are unjustifiable. They

request no more than fairness with regard to the preparation and conduct of these proceedings; that fairness of which the countries upholding Anglo-Saxon legal traditions are so particularly proud. There can be no doubt whatever that this trial is destined to make history and to clarify the question of how, in the future, leading industrialists of a country should conduct themselves in the event of an international conflict. This judgment, however, can only make history if it can withstand the scrutiny of the historians. This alone is the aim for this defense motion. The defense does not overlook the fact that these two principal motions made with regard to this trial, namely, the incompleteness of the indictment and the inadequate facilities for preparation on the part of the defense, do not exhaust the basic objections which must be raised against this trial as a whole.

At the appropriate occasion, the defense shall point out that, in this instance, proceedings are conducted before an American Tribunal which must be carried out within the framework of the American Constitution. The American Constitution explicitly prohibits criminal proceedings for actions which were not forbidden by law when they were committed. The defense cannot imagine that American democracy, in dealing with the German people, would depart from the ideal principles which it has represented the world over and for which it is attempting to gain the support of that same German people.

The defense trusts that the American Tribunals, right to their supreme authority, will see to it that this practice established in the American Constitution should be maintained.

May I make one remark of a technical nature? A written translation of this motion of mine will be submitted to this Tribunal in the near future, and also to the prosecution. It is already on its way to the Tribunal.

PRESIDING JUDGE SHAKE: This Tribunal, which was only recently constituted, has been laboring under the impression that a motion for the continuance of this case had been ruled upon by the presiding judges of the tribunals before this body was organized.* If any additional motion for continuance has been filed, this Tribunal has no knowledge of it and would like to inquire of counsel for defense who has just spoken if any such motion has been filed and called to the attention of the prosecution.

DR. BOETTCHER: That isn't an application, Your Honor. It is a statement of objections by the defense against the beginning of

* When defense motions were made before a tribunal was assigned to the trial of a case, the Supervisory Committee of Presiding Judges or the Executive Presiding Judge thereof often ruled on these motions. See section XXIII, volume XV, this series, concerning the Committee of Presiding Judges.

the trial, based upon the incompleteness of the indictment and the insufficient time allowed for the defense preparations.

PRESIDING JUDGE SHAKE: Counsel for prosecution can be heard on this motion.

GENERAL TAYLOR: Your Honors, I would like to make very briefly three points, in no more than four minutes.

I believe that not one word Dr. Boettcher has spoken is germane to the only matter now pending before the Tribunal, which is whether these defendants are to be called upon to plead guilty or innocent. Dr. Boettcher apparently rose to address himself to that question, but I believe he failed utterly to do so. He hasn't suggested that any of the defendants would plead guilty if the indictment were changed or if conditions were different. In fact, he has made it quite apparent that the defendants understand the indictment and are about to plead not guilty. It seems to me a pity that that matter has been postponed so long.

As to the second point, Dr. Boettcher has spoken at length with respect to the insufficiency of the indictment. No such motion has come to the attention of the prosecution, or—I take it—of the Tribunal. And, in answer to the Tribunal's last question, it appears to me that Dr. Boettcher has not intended to make any motion, but merely to make what I can only describe as an opening or closing statement somewhat prematurely and has not intended it as a motion at all. The indictment in general is far more detailed than the indictments that have been filed in other cases here. I think the differences which Dr. Boettcher has intended to point out are without foundation but, unless the Court desires, I don't propose to argue this matter at length now. It seems to me such questions should be raised by properly written motion and disposed of in an orderly fashion. The indictment, I might add, has been supplemented by some 700 documents which the prosecution has voluntarily placed at the disposal of the defense; and if Dr. Boettcher is able to state that those documents do not mention the defendants, or in what ways they are implicated, I can only suggest that he has not read the documents made available to him.

As to the observation about conditions in Germany, and as to the fairness of the trial, once again all those are matters which can be raised by appropriate motion and disposed of in an orderly fashion. And, it seems to me, they have no place at this time.

Counsel for defense, many of them served here in other cases, and I think are entirely aware of that. I think that is all I have to say at this time, Your Honor.

DR. SIEMERS: Your Honors, Dr. Siemers, defense counsel for Dr. Georg von Schnitzler. Your Honors, with regard to the state-

ment just made by General Taylor, I should like first of all to say as a matter of principle that we are not here concerned with an application or motion which General Taylor says is lacking, but with an objection against the indictment, and the objection is admissible under Anglo-Saxon law. Dr. Boettcher has already stated that in our opinion the indictment does not conform with the formal instructions contained in Ordinance 7. In rebuttal hereto, General Taylor has pointed out that the indictment in this trial is more exact and more detailed than were the indictments in other trials. Your Honors, I am not in a position at this point to survey all the trials conducted in Nuernberg. I personally have a clear picture of the trial before the IMT and the trial which is running parallel to this one here, the Flick case.

I dispute General Taylor's statement that the indictment in this trial is more exact. Dr. Boettcher has already pointed out that in the trial before the IMT, the indictment contained an Appendix A submitted by the prosecution in order to establish connections between its contentions, the offenses committed, and the individual defendants. That is a matter which is not contained in this indictment before this Tribunal. In fact, Your Honors, it was recognized at a later stage that the indictment in the big trial was also not sufficiently complete. This fact was generally recognized and, therefore, the prosecution later submitted special trial briefs with regard to each individual defendant.

If one can speak of this indictment as being sufficiently detailed, then it is only in connection with count one of the indictment, which is the so-called planning on the part of IG for the conduct of aggressive wars. I might mention that I consider the statements under count one still inadequate. Nevertheless, they give some sort of a general picture. In all the other counts, the indictment is so inexact that, even with the best will and intentions, one cannot speak of a specification of the individual facts of the case.

I beg the Tribunal to give me permission to draw its attention to a few outstanding points of the indictment which will immediately prove the correctness of my statement.

On page 73 of the German text of the indictment, paragraph 121 of the indictment, we find the heading: "Participation of the Defendants in Slavery and Mass Murder." Such a colossal charge is dealt with in a few pages. On page 75, paragraph 124, it is stated with reference to the subject, and I quote: "The exploitation of enslaved workers and of prisoners of war for work directly connected with war operations was standard policy of Farben." End of my quotation. In the whole of the indictment there isn't one single word, not one single fact, to be found which would

give the reasons for this sentence. There is no mention of how the exploitation is carried out, or of where the exploitation is carried out; there is no mention of a single individual fact, or one individual name from amongst the defendants.

On page 78 of the German text of the indictment, under paragraph 128, it is stated, and I quote:

> "In all Farben plants and works where slave labor was used, subhuman standards of living were the established order. Inadequate food rations, overcrowded and filthy sleeping quarters, excessive hours of hard physical labor, continued beatings, and other cruel disciplinary measures brought about a high percentage of illness and disease among the inmates. In cases of disease, little or no medical care was furnished, as a result of which many slave laborers died."

Your Honors, Ordinance No. 7 states expressly that it is desirable and essential that details should be given, so that the defendant can inform himself of the details regarding the alleged crimes with which he is charged, and I would like to ask the prosecution, just how can the defendant, or defense counsel, inform himself and make the facts clear to himself in this connection? Once again no mention of an individual name; once again the I.G. Farben is only generally mentioned, which supposedly isn't under indictment in its entirety as a body. All works and factories are talked about generally, although we know that there are hundreds of them; although we know that there were hundreds of camps, not one single name of a camp is mentioned. If that is supposed to be a specification, then I, both legally and economically, have never understood the meaning of the word "specification."

May I now turn to paragraph 131 of the indictment, that is page 80 of the German text, and I quote:

> "Use of Poison Gas and Medical Experimentation Upon Enslaved Persons. Poison gases and various deadly pharmaceuticals manufactured by Farben and supplied by Farben to officials of the SS were used in experimentation upon, and the extermination of, enslaved persons in concentration camps throughout Europe. Experiments on human beings (including concentration camp inmates), without their consent, were conducted by Farben to determine the effect of deadly gases, vaccines, and related products."

Your Honors, one of the most horrible charges, the most far-reaching charges, namely, that of planned murder of every sort, that is an accusation which the prosecution dares to render in nine lines of the text of the indictment. Without mentioning any

further details, they dare to assert that its duty of specification under article IV of Ordinance No. 7 is complied with. There is no mention as to which one of the defendants is supposed to have participated. It does not state where these supplies went, to which officers of the SS.

The words "enslavement" and "extermination" are quite generally used. It is the typical propaganda method, by means of which the defendants are linked with sad and regrettable criminal acts of which the German regime under Hitler was guilty. I deny the right on the part of the prosecution to make statements of this nature in such general terms. Since they are of material importance legally, we shall deal with these points at a later stage.

We are here only concerned with the question of procedure, and here it will have to be conceded that this individual charge is not properly specified.

May I, in this connection, supplement my statement by saying that the provision contained in article IV, specifically started with the words, and I quote: "In order to ensure fair trial for the defendants, the following procedure shall be followed." We are concerned with rules on procedure which are intended to safeguard the privileges of the defendants. Consequently, the prosecution must take upon themselves the trouble of complying with the details demanded in this article.

Ordinance No. 7 arose from the Charter of the International Military Tribunal. It might be interesting, therefore, to reestablish this link, and I might draw your attention to the fact that in article 16 of this Charter of the International Military Tribunal,* you will find the following sentence: "The indictment is to contain all details from which the facts of guilt can be ascertained." [sic]

Your Honors, the very same picture, which was the basis of the big trial, applies to this no doubt equally big IG trial.

Finally, may I draw your attention to paragraph 146 of the indictment, which is count five of the indictment. In count five, as before, conspiracy is charged as an independent crime. It appears doubtful to me whether this is possible. We might leave this question open for the moment. The most doubtful question, however, is whether, in view of the Control Council Law, "conspiracy" can be brought up at all in connection with counts two and three; but, even if it were legally justified, the prosecution must at least relate individual facts which are supposed to constitute the crime of conspiracy. It is quite unthinkable that a more general formulation could be chosen, less specified than in this case. Let me draw your attention to the first sentence:

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* See footnote, page 84.

"All the defendants, acting through the instrumentality of FARBEN and otherwise, with divers other persons, during a period of years preceding 8 May 1945, participated as leaders, organizers, instigators, and accomplices in the formulation and execution of a common plan or conspiracy to commit, or which involved the commission of crimes against peace (including the acts constituting war crimes and crimes against humanity, which were committed as an integral part of such crimes against peace) as defined by Control Council Law No. 10, and are individually responsible for their own acts and for all acts committed by any persons in the execution of such common plan or conspiracy."

Your Honors, the prosecution doesn't even bother to give us any details. They say, "with divers other persons," but they don't mention them. They say generally that the IG and other means were used, but they don't describe the other means of this conspiracy. They never describe anything at all in detail.

I think that I have been able to show you, by means of four or five examples, that this indictment is, in fact, not in compliance with article IV. I might supplement my statement by saying that it is beyond doubt not the duty of the prosecution to hand over all documents of the evidence, but article IV prescribes that all documents presented in connection with the indictment are to be submitted in the German language before the end of 30 days.

The importance of the English version of this article may be argued. The prosecution's interpretation of this article is that only such documents have to be submitted, together with the indictment, as are already linked with the indictment as an appendix. Quite possibly that may be true, if you interpret the regulation word by word, but it certainly does not comply with the intention or the meaning of this article. If I am to describe the details in the indictment, and, as I have already said, this is only done in connection with count one, then at least documents which are clearly and definitely mentioned must be submitted at the same time. If, for instance, as a matter of fundamental importance in connection with "plunder and spoliation," the Goering Decree dated 19 October 1939 * is quoted in count two, and if three sentences from that document are reprinted, then in my opinion this is a document which is linked with the indictment, and therefore, according to the regulation, it must be submitted at the same time.

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* Document EC–410 (not submitted in evidence in the Farben case) was introduced in the IMT trial as Prosecution Exhibit 298–USA, and as Prosecution Exhibit 1286 in the Ministries case (Case 11, vols. XII–XIV, this series). It is reproduced in section X C 1, volume XIII, this series.

I don't want to delay the Tribunal by multiplying my examples. They are integral parts of this indictment, and they are a part of this specification which we request, because only then will sufficient clarity be achieved.

GENERAL TAYLOR: May it please the Court, I am convinced that everything Dr. Siemers has said is quite as irrelevant as was everything Dr. Boettcher said.

I clearly understood the Court to ask, at the conclusion of Dr. Boettcher's argument, whether any motion had been filed requesting a dismissal of the Bill of Particulars, and there is a clear answer; no such motion has been filed.

In order to prevent a repetition of Dr. Siemers' intransigent remarks, the prosecution now formally requests that the pleas of the defendants be taken, and, if there are any objections to the form and substance of the indictment, the defendants file a motion in accordance with the rules of the Court, with which all of them are fully familiar.

PRESIDING JUDGE SHAKE: As the Tribunal understands the arguments of counsel for the defense, three propositions have been urged; one that the indictment does not charge an offense within the language or the meaning of the laws of the Charter and the ordinances under which this Tribunal operates. That matter would go to the jurisdiction of this Tribunal as applied to these defendants, and any objection may be as well raised on the offering of the evidence or in the final argument, as now, and it cannot be seen how the arraignment of the defendants would injure their rights in that regard.

The second proposition urged appears to be that the indictment does not charge the offenses with sufficient certainty. Manifestly this Tribunal would be in no position to pass decision upon such a matter without a definite and specific motion before it, setting out exactly the parts of the indictment which ought to be made more definite and certain, in order to permit the defendants to make their proper showing.

The third proposition appears to be a motion for a continuance of the case, and it is the view of the Tribunal that on the present state of the record that matter was passed upon by the presiding judges. This Tribunal is not disposed at this time to disturb the ruling of the presiding judges in that regard, and, unless and until some further facts are presented to the Tribunal, we shall be obliged to consider that matter as closed.

(Recess)

PRESIDING JUDGE SHAKE: The Secretary-General will proceed with the calling of the defendants for arraignment.

THE SECRETARY-GENERAL: Carl Krauch.

PRESIDING JUDGE SHAKE: Defendant Carl Krauch, have you counsel?

DEFENDANT KRAUCH: Yes, sir.

PRESIDING JUDGE SHAKE: Was the indictment in the German language served upon you at least 30 days ago?

DEFENDANT KRAUCH: Yes, sir.

PRESIDING JUDGE SHAKE: Have you had an opportunity to read the indictment?

DEFENDANT KRAUCH: Yes.

PRESIDING JUDGE SHAKE: Have you read the indictment?

DEFENDANT KRAUCH: Yes.

PRESIDING JUDGE SHAKE: Defendant Carl Krauch, how do you plead to this indictment, guilty or not guilty?

DEFENDANT KRAUCH: Not guilty.

PRESIDING JUDGE SHAKE: You may be seated.*

* * * * * * *

PRESIDING JUDGE SHAKE: All of the defendants now present having answered that they have had an opportunity to read the indictment and that they have read the indictment, there appears to be no reason why the indictment should be read again. Unless there is an objection, the formal reading of the indictment will be considered to have been waived. There being no such objection, it is so ordered.

We are advised that this court room will not be available for the purposes of this case for a few days. In the meantime, there may be some matters which the Tribunal may desire to take up with counsel in chambers. There are some pending motions with respect to which we should like to be advised and, if it is contemplated that other motions may be filed, we will appreciate it if counsel will get them to us as promptly as possible so that we may consider them and hear you in the meanwhile.

The Tribunal will now be in recess until Wednesday, August 27, at 9:30 o'clock in the morning.

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* Each of the defendants present was asked the same questions. Each pleaded not guilty.

III. OPENING STATEMENTS

A. Introduction

This section includes the full text of the opening statement of the prosecution and the opening statements on behalf of each of the 23 defendants who stood trial. Actually counsel for defendant Kuehne stated that he did not wish to make an opening statement, but since his announcement refers to a pending motion for acquittal and his intentions in case the motion should be denied, this announcement is reproduced here with the opening statements for the other defendants. The prosecution was allotted one day for its opening statement and the defense two days.

Argument in the Farben case was more extensive than in any other Nuernberg trial, with the exception of the Ministries case (see vols. XII–XIV, this series). Apart from the opening statements and the even more lengthy closing statements (see section XI, vol. VIII), there were numerous interlocutory motions and answers of great length, some supported by separate briefs, and the opposing parties both submitted lengthy final briefs after the close of the evidence. Only a relatively small part of this total argumentation is reproduced herein. The opening statements have been reproduced in full for several reasons: firstly, these openings afford introductory material on almost every aspect of the charges and should make more readily understandable the relevance of the selections from the evidence which is reproduced in ensuing sections; secondly, this argumentation at least illustrates the issues which developed on certain of the charges upon which it has been impossible to include evidence herein for reasons of limitation of space; thirdly, since space limitations made it impossible to print in full both the opening and closing statements, it was thought preferable to print the openings in full and to reproduce only extracts from the closing statements (see section XI, vol. VIII).

B. Opening Statement for the Prosecution*

PRESIDING JUDGE SHAKE: The Tribunal is now ready to hear the opening statement of the prosecution.

GENERAL TAYLOR: May it please the Tribunal.

The grave charges in this case have not been laid before the Tribunal casually or unreflectingly. The indictment accuses these men of major responsibility for visiting upon mankind the most searing and catastrophic war in human history. It accuses them of wholesale enslavement, plunder, and murder. These are terrible charges; no man should underwrite them frivolously or vengefully, or without deep and humble awareness of the responsibility which he thereby shoulders. There is no laughter in this case; neither is there any hate.

The world around us bears not the slightest resemblance to the Elysian Fields. The face of this continent is hideously scarred and its voice is a bitter snarl; everywhere man's works lie in ruins, and the standard of human existence is purgatorial. The first half of this century has been a black era; most of its years have been years of war, or of open menace, or of painful aftermath, and he who seeks today to witness oppression, violence, or warfare need not choose his direction too carefully nor travel very far. Shall it be said, then, that all of us, including these defendants, are but the children of a poisoned span? And does the guilt for the wrack and torment of these times defy apportionment?

It is all too easy thus to settle back with a philosophic shrug or a weary sigh. Resignation and detachment may be inviting, but they are a fatal abdication. God gave us this earth to be cultivated as a garden, not to be turned into a stinking pile of rubble and refuse. If the times be out of joint, that is not to be accepted as a divine scourge, or the working of an inscrutable fate which men are powerless to affect. At the root of these troubles are human failings and they are only to be overcome by purifying the soul and exerting the mind and body.

This case, like any criminal proceeding, finds its jurisdiction only as part of this process of redemption and reconstruction. We have been told from the Mountain to judge not, that we be not judged, and we will do well to reflect upon and seek to comprehend this profound prohibition. It is at once the touchstone of the judicial process, and the core of this particular and fateful proceeding.

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* The opening statement for the prosecution was delivered on 27 August 1947, (tr. pp. 39–192). Most of the closing statement for the prosecution is reproduced below in section XI F, vol. VIII, this series.

This solemn injunction, far from being a bar to the jurisdiction of the Tribunal, is its foundation. It reminds the individual of his own frailty and fallibility. It is not for any man to pierce the veil and divine the great absolutes. The judge must not judge in his own name nor uninstructed; he judges under the laws derived from revered scriptures and the wisdom of the ages, and declared or commonly accepted as binding by the community, large or small, whose agent and servant he is. That is why the judicial robe is a garment of humility, not of pride.

But this mandate is not for judges only; it is universal. It warns man not to set himself up as better than his fellows, and not to impose his personal notions of good and evil on his neighbors. It is an exhortation against arrogance, presumption, and vanity. It is the divine ordinance of right and duties among men. From it are derived all the great proclamations of human dignity in modern times, and on it are bottomed the very principles of law under which these defendants are to be tried.

The crimes with which these men are charged were not committed in rage, or under the stress of sudden temptation; they were not the slips or lapses of otherwise well-ordered men. One does not build a stupendous war machine in a fit of passion, nor an Auschwitz factory during a passing spasm of brutality. What these men did was done with the utmost deliberation and would, I venture to surmise, be repeated if the opportunity should recur. There will be no mistaking the ruthless purposefulness with which the defendants embarked upon their course of conduct.

That purpose was to turn the German nation into a military machine and build it into an engine of destruction so terrifyingly formidable that Germany could, by brutal threats and, if necessary, by war, impose her will and her dominion on Europe, and, later, on other nations beyond the seas. In this arrogant and supremely criminal adventure, the defendants were eager and leading participants. They joined in stamping out the flame of liberty, and in subjecting the German people to the monstrous, grinding tyranny of the Third Reich, whose purpose it was to brutalize the nation and fill the people with hate. They marshaled their imperial resources and focused their formidable talents to forge the weapons and other implements of conquest which spread the German terror. They were the warp and woof of the dark mantle of death that settled over Europe.

The defendants will, no doubt, tell us that they were merely overzealous, and possibly misguided, patriots. We will hear it said that all they planned to do was what any patriotic businessman would have done under similar circumstances. The German Wehrmacht was weak; they helped to make it strong. They were

responsible for the management of a vast industry of international scope, and a strong Germany would help to make their enterprise more profitable. As for the carnage of war and the slaughter of innocents, these were the regrettable deeds of Hitler and the Nazis, to whose dictatorship they, too, were subject. What has happened is, indeed, most unfortunate, they will admit, but we will be assured that there was nothing that any of them could possibly have done about it.

However plausible, this is not the truth. These are men who stopped at nothing. They were the magicians who made the fantasies of "Mein Kampf" come true. They were the guardians of the military and state secrets of the Third Reich. They were the master builders of the Wehrmacht; they and very few others knew just how many airplane and truck tires and tank treads were being built from Farben buna rubber and just how large the stockpile of explosives was. They knew every detail of the intricate and enormous engine of warfare, and watched its growth with an architect's pride. They knew that the engine was going to be used, and they planned to use it themselves. Europe was dotted with mines and factories which they coveted, and for each step in the march of conquest there was a program of industrial plunder which was put into prompt and ruthless execution. These are the men who made war possible, and they did it because they wanted to conquer.

Did they plan an easy yoke for the peoples they were determined to subject? Were they benevolent despots under whose sway the humanities would flourish? Can we hear any note of idealism cut through the din and clangor of war? In 1940, the defendants were planning the construction of their fourth plant for the manufacture of synthetic rubber, the output of which would be vitally necessary if the war was to be long continued. They decided to build it in eastern Europe, and the defendant Ambros went prospecting for a suitable location. In conquered Poland, Ambros was shown a town where one of Himmler's largest concentration camps had just been built. The town was Oswiecim, known to the Germans as Auschwitz. Ambros found the site otherwise suitable, and was particularly interested in the possibility of using the concentration camp inmates to erect the plant, all of which was reported to the other defendants. They agreed, and construction of the Farben Auschwitz plant was promptly undertaken. What happened at Auschwitz during those years will later be set forth in some detail. Himmler, for a price, furnished the defendants with the miserable inmates of his camp, who slaved and died to build the buna factory. It is a revolting story of brutality and murder. But this scheme was part of the

standard pattern of the Third Reich, and it found great favor with the defendants. In 1943, a fifth buna plant was projected and the defendant Krauch wrote to Heinrich Himmler:

> "I was particularly pleased to hear that * * * you hinted that you may possibly aid the expansion of another synthetic factory (which I consider absolutely essential for securing rubber supplies) in a similar way as was done at Auschwitz, by making available inmates of your camps if necessary. I have also written to Minister Speer to this effect and would be grateful if you would continue sponsoring and aiding us in this matter."

These words might have been written by any of the defendants. It is a letter of unmitigated presumption and scorn for the laws of God and man. These men dared to judge. They judged themselves alone as fit to sway the destiny of the world. They judged themselves entitled to subjugate and to command. They judged the Jew, the Pole, and the Russian to be untouchable. All their judgments sprang from a bottomless vanity and an insatiable ambition which exalted their own power as the supreme and only good. They rendered and executed those arrogant pronouncements with whip and sword. There is hardly a country in Europe that escaped the carnage which these men loosed, and the day will surely come when their own countrymen will fully grasp what a catastrophic abomination they worked for Germany. It is no act of vengeance, but an inescapable and solemn duty, to test the conduct of these men by the laws and commandments which they dared to disavow.

History and Organization of I. G. Farbenindustrie

I do not want to burden the Tribunal with tedious exposition, but we are concerned here with 23 individuals who occupied key positions in a mammoth and intricate industrial establishment. In order to understand this case, it is necessary to gain a general knowledge of the history and structure of the Farben empire, and how the several defendants fitted into the organization.

A. Historical Background

About the time of the War Between the States in America, and during the period when Bismarck was effecting the unification of Germany, a number of enterprises grew up in western Germany, particularly in the Rhine Valley, for the manufacture of synthetic dyes and a few basic chemicals. These concerns grew rapidly with the progress of science, and to meet the needs of

modern industrial economy for chemical products. Very soon numerous other synthetic products were discovered. The traditional German ability in scientific research and technique made itself abundantly apparent as these firms prospered. Bismarck, among others, was quick to grasp the tremendous implications of chemistry in the modern world, and the German Government did much to foster chemical research and the expansion of chemical facilities. The result was that the German chemical industry, particularly in the manufacture of dyes and in chemical research, far outstripped its rivals in other countries. The Alien Property Custodian of the United States, in his report in 1919 on the chemical industry, declared that:

> "The German chemical industry, which had so thoroughly penetrated and permeated our own, was gigantic, perhaps the strongest, and certainly the most remunerative of all Teutonic industries * * *.
>
> "From about the middle of the nineteenth century, the practical application of chemical science began to occupy the attention of a constantly increasing number of the best scientific and industrial minds of Germany. A combination of natural advantages and national characteristics led to rapid advance * * *.
>
> "These advantages were made use of to an extent nowhere else approached, because from a comparatively early date the importance of research work to practical industry was firmly grasped by both the industrial and governmental ruling classes. The alliance of the manufacturer and the university professor became constantly closer. To meet the needs pointed out by the industrial leaders, armies of plodding, but nevertheless skillful, chemists completed hundreds of thousands of separate researches. The results of these kept the German chemical industry constantly in the van—always somewhat ahead of their competitors in other countries in the way of new processes and products."†

† Report of U. S. Alien Property Custodian (1919) pp. 25–26.

The technical complexity of the synthetic dye industry and particularly the inevitable production of numerous byproducts for which some practical use was always being sought, led to an impressive flowering of chemical research, and to expansion of those industries into other commercial fields. Medicines and fertilizers were developed along with dyes. In its origins, the business was peaceful enough; it furnished working materials to the peasant and weaver, and the stock-in-trade of the druggist.

At about the end of the nineteenth century, a strong tendency developed for the several big German chemical firms to come together in pooling arrangement or cartels, for the purpose of controlling market and price conditions and to protect their joint interests in the export trade. The principal spokesman for this policy of combination was the famous Carl Duisberg, one of the founders of I.G. Farben, who at that time was the head of the large Bayer firm at Leverkusen. In 1904, Duisberg urged that the entire German chemical industry should be brought together in a cartel, stating that:

> "The new existing domination of the German chemical industry, especially the dye industry, over the rest of the world would then, in my opinion, be assured."

In 1904, Duisberg succeeded in laying the first foundation stones of the massive chemical empire, the "State within a State," which we now know as I.G. Farben. Duisberg's firm joined forces with the equally powerful Badische Anilin & Sodafabrik, of Ludwigshafen, which was headed by the brilliant and resourceful Carl Bosch. In order to strengthen their position with respect to other German chemical firms, a fifty-year contract was concluded pursuant to which their two firms, and a third important Berlin chemical firm known as Agfa, pooled their net profits. At about the same time, three other important chemical concerns located in and near Frankfurt am Main effected a close combination between 1904 and 1915. These two separate groups entered into mutual agreements regulating competition in various parts of the dyestuff and other chemical industries. These efforts constituted the first stage in the development of I.G. Farben and laid the groundwork for closer relations between the groups in the future. By virtue of agreements eliminating internal competition, and by pooling experience and resources, the two groups immediately achieved a predominant position in the organic dyestuff, the pharmaceutical, and the chemical industries of the world.

The First World War precipitated the carrying of this process of concentration to its logical conclusion. In 1916, the six companies of the two original groups came together with two additional chemical firms, one of which was directed by the father of the defendant ter Meer. This enormous cartel was known as the Interessengemeinschaft der Deutschen Teerfarbenindustrie, meaning the "community of interests" of the German industry for the manufacture of tar-coal dyes. All the firms in the group, which became known simply as "IG," agreed to share their profits in fixed ratios. Although I.G. Farben did not become a legal cor-

porate entity until 1925, for all practical purposes it became a unified industrial empire in 1916.

The complete domination of the German chemical industry by the IG was almost matched by the preeminence which it achieved abroad. The IG's leading position in the world's chemical markets was achieved and maintained in part by the acknowledged ability and industry of the German chemists, and in part by ruthless competitive tactics. The story of Farben's foreign activities before and during the First World War, and of its strenuous efforts to maintain world leadership despite the British blockade, is fascinating and illuminating. The German submarine "Deutschland," on its two trips to the United States during the war, carried chiefly dyestuffs and dye ingredients. But we have no occasion at this time to rehearse these circumstances other than to note that the revelations of the Alien Property Custodian in 1919 conclusively revealed the existence of a carefuly directed German policy aimed at world domination of the organic chemical industry, which hampered the military resources of other nations and which enhanced those of Germany.[1] It was abundantly shown that German chemical policy was designed to prevent the emergence of strong chemical industries in other countries.[2]

What is vitally important to understanding the sequence of events is that, during this period when the IG was developing and German chemical leadership was most apparent, the chemical industry became increasingly important for war purpose. Nitrates were an essential ingredient in the manufacture of explosives, and for many years the principal source of nitrates had been Chilean saltpeter. German explosives manufacturers had perceived, as early as the turn of the century, the danger that in a future war Germany might be cut off from the Chilean nitrate supply, and thus from the most important material for the manufacture of munitions. Research was begun and, in 1913, Fritz Haber discovered a method of deriving nitrogen from the air. Carl Bosch, using Haber's discovery, immediately developed an engineering process for the production of synthetic nitrates, and his firm (Badische) started the manufacture of explosives, utilizing these synthetic nitrates which enabled Germany to become independent of the Chilean supply. The critical importance of the Haber-Bosch nitrogen fixation process to the German military machine during the First World War cannot be overstated. Carl Duisberg, in his memoirs, reveals, that:

"* * * the German gunpowder and explosives industry * * * lacked the raw material vitally essential for gunpowder and

[1] Cf. The Riddle of the Rhine (1921), by Victor Lefebure, p. 188.
[2] Report of U. S. Alien Property Custodian (1919), pp. 80–87.

explosives: the saltpeter which was only to be obtained from abroad. The industry had thus to depend entirely on the resources of chemistry and agriculture. But even these supplies lasted only until the middle of 1915, then we had reached the very end; then we were finally lost. Then we, the German chemists, set to work and staked all we had on averting this premature collapse. In a race against the terrible machinery of war, Haber and Bosch succeeded in producing saltpeter synthetically."

The second noteworthy contribution of the German chemical industry to the science of warfare was, of course, poison gas. A weirdly prophetic book, written in 1921, contains an exhaustive and searching analysis of the almost overwhelming headstart and advantage enjoyed by the Germans in the use of this weapon during the First World War.† Chlorine, Yperite, and later, mustard gas, were developed by German chemists and produced in IG factories. The resultant shock to world opinion aroused, for the first time, some general public realization of the enormous strategic importance of chemical industry. It was no accident that, in 1916, when General Ludendorff asked two outstanding leaders of German industry to "join his train" to discuss war production, the two men invited were Gustav Krupp von Bohlen and Carl Duisberg.†† And President Wilson, in his message to the United States Congress in 1919, pointed out that:†††

"Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war made the interruption of trade a cause of exceptional economic disturbance. The close relation between the manufacturer of dyestuffs, on the one hand, and of explosives and poisonous gases, on the other, moreover, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in the program of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well-equipped chemical plants. The German chemical industry, with which we will be brought into competition, was, and may well be again, a thoroughly knit monopoly capable of exercising a competition of a peculiarly insidious and dangerous kind."

† *The Riddle of the Rhine* (1921), by Victor Lefebure, Liaison Officer between Britain and the other Allies on chemical warfare and kindred questions.

†† *Ludendorff's Own Story*, by Erich von Ludendorff, vol. I, p. 326.

††† Message of the President of the United States, addressed to both Houses of Congress at the beginning of the first session of the 66th Congress, 1919, p. 8.

B. The Creation of I.G. Farbenindustrie Aktiengesellschaft 1925–1926

Germany lost the First World War, but the IG emerged bigger and more powerful than ever within Germany. Now it had large new capital investments which the German Government had financed during the war, and the IG leaders soon laid plans to reenter the world market and reassert their leading position in the chemical field. On the other hand, the necessities of war had brought about a rapid development of the chemical industries in England, the United States, and elswhere, and IG's overseas situation was certainly not as dominant as before the war. International competition was stiffening, and the German chemical lords decided to tighten their own ranks.

In 1925, an agreement was finally reached for a merger of all the eight firms which comprised the "Interessengemeinschaft." Carl Bosch's firm (Badische) changed its name to "I.G. Farbenindustrie Aktiengesellschaft," and moved its main offices to Frankfurt. As is set forth in Appendix B of the indictment, five other firms which had previously been members of the cartel merged with I. G. Farbenindustrie, and thereby created a massive single corporation. The two remaining members of the cartel were not formally merged at that time, but over 90 percent of the stock of each of them was owned by Farben. The Handbook of German Joint Stock Companies laconically but eloquently states that the eight original "parent" firms voluntarily renounced their individuality for the greater purpose of the future tasks of the German chemical industry.† Carl Duisberg was named chairman of the Aufsichtsrat of Farben, and Carl Bosch chairman of the Vorstand.

† Article on I. G. Farben in the *Handbuch der Deutschen Aktiengesellschaften*, 1938 Edition, vol. IV, p. 5266.

The year 1926 witnessed the cementing of a very close and special connection between Farben and the German explosives industry. The two principal manufacturers of explosives in Germany during the First World War were the well-known firms Dynamit-Nobel (known as DAG) and Koeln-Rottweil. They had had close relations with the Farben syndicate during the war, inasmuch as Carl Bosch's firm furnished the synthetic nitrates which were necessary to the manufacture of explosives. After the war, the explosives companies fell upon lean years, and Koeln-Rottweil sold its gunpowder plants to DAG.

In 1926, Farben and DAG entered into an agreement which bound the explosives company to Farben, body and soul. DAG retained its separate corporate character, but was subject to the direction of Farben, and Farben guaranteed dividends on the shares of DAG. The president of DAG was Paul Mueller, who was a brother-in-law of the defendant Schmitz, a member of the Aufsichtsrat of Farben, and a frequent attendant at meetings of important Farben management committees. The defendants Schmitz and Gajewski were on the Aufsichtsrat of DAG. From 1926 on, DAG was, in practical effect, a part of Farben's chemical empire, and by the time the Nazis came to power in 1933, Farben exercised a dominant role in ammunition and explosives production.

C. The Structure of I.G. Farben

Thus arose the enormous and intricate industrial complex of I.G. Farben, the broad outlines of which are portrayed in the chart on the wall of the courtroom, which will be offered in evidence at a later date.* It will be seen that the over-all supervision and management of Farben was in the hands of two boards, known respectively as the Aufsichtsrat and the Vorstand. Below them, the two principal groups were the Technical and Commercial Committees. Production was organized both functionally, in the three "Sparten," and geographically, in the five "Works Combines," shown below the Technical Committee. On the commercial side, the sales of various groups of products were directed principally by the four "Sales Combines." Coordination between technical and commercial matters was achieved, not only through the Vorstand, but at a lower level in the three "Mixed Committees." A number of other departments and committees, shown at the right of the chart, dealt with various specialties such as law and patents, intelligence and propaganda.

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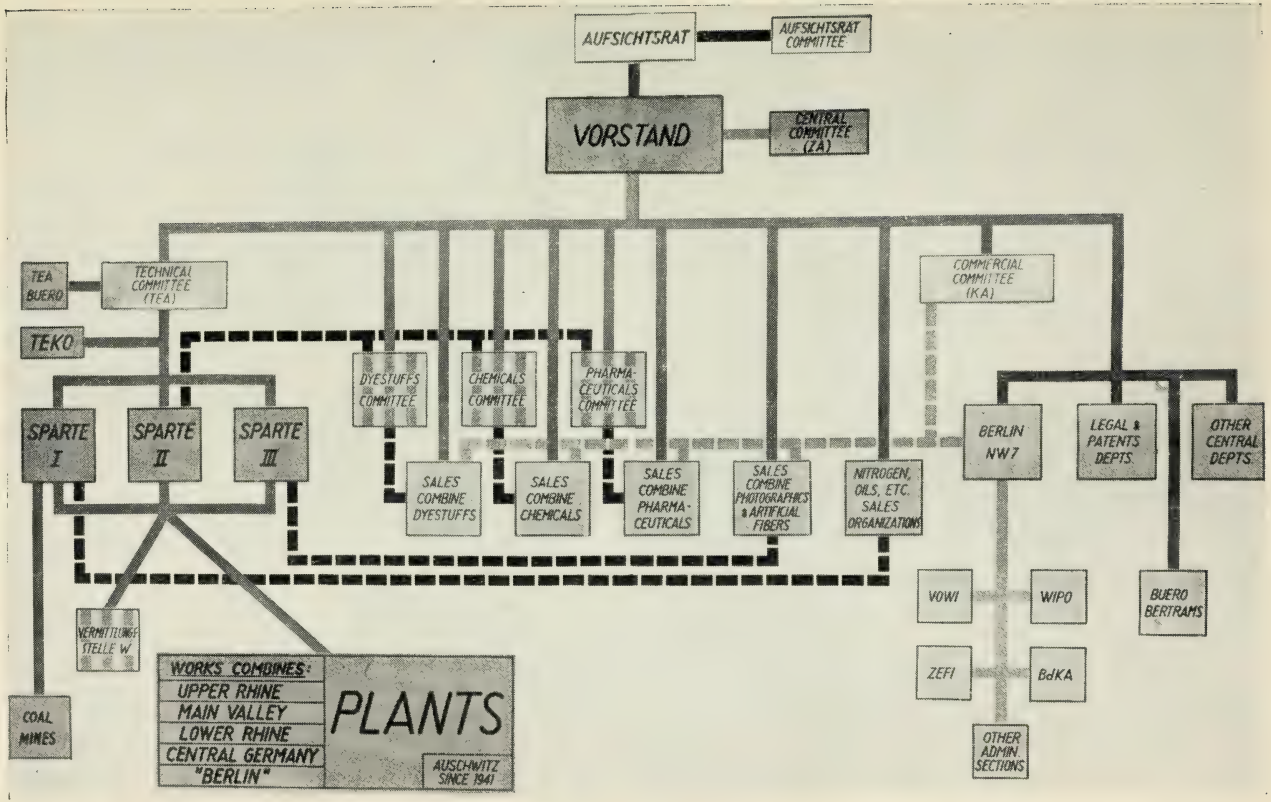
* The chart referred to is reproduced on the opposite page. This chart was taken from an original chart which included certificates of correctness by the defendants Mann and ter Meer. These certificates were executed on 24 July 1947, in the presence of counsel for the two defendants and a representative of the prosecution. The certificate by the defendant Mann stated: "I certify that this graph is a true and correct organization chart of the I. G. Farbenindustrie for the years 1938–1945, except that the position of the three Mixed Committees (Dyestuffs, Chemicals, and Pharmaceuticals) above the respective Sales Combines should not necessarily be construed as indicating a superior or inferior position." In his certificate, the defendant ter Meer stated: "I certify that this graph is a true and correct organization chart of the I. G. Farbenindustrie for the years 1938–1945. It is similar in nature to organization charts which I myself drew or had drawn, except that it adds broken lines to indicate coordination between agencies and committees beneath the Vorstand level. The broken lines on the chart properly indicate coordination between the various agencies and committees." A copy of the original chart, with the certificates, was received in evidence as document NI–10042, Prosecution Exhibit 332. Further selections from the evidence on the organization of the Farben Konzern are reproduced below in section IV.



Organization chart of the I. G. Farbenindustrie Aktiengesellschaft for the years 1938–1945 (NI-10042, Pros. Ex. 332).

1. Aufsichtsrat and Vorstand

Under German corporate law, all joint stock companies are governed by an Aufsichtsrat and a Vorstand. When I.G. Farbenindustrie Aktiengesellschaft was created in 1926, the Aufsichtsrat members and most of the Vorstand members of all the parent companies became members of the Farben Aufsichtsrat and Vorstand respectively.

Generally speaking, the duty of the Aufsichtsrat is to supervise the over-all management of the company, whereas the day-to-day direction is in the hands of the Vorstand. The functions of the Farben Aufsichtsrat were, on the whole, rather perfunctory; it met three or four times a year to receive a report from the Vorstand, and on paper was responsible for selecting the members of the Vorstand. But the views of the Vorstand as to its own membership were generally followed by the Aufsichtsrat, and we know of no important case where the Aufsichtsrat opposed Vorstand policies or took much independent initiative.

Membership in the Aufsichtsrat, accordingly, became chiefly honorary, but individual members might, by virtue of their own stature and prestige, exercise great influence. The chairmanship of the Aufsichtsrat was invariably held by one of the great figures in the history of Farben. Carl Duisberg was chairman from the birth of Farben in 1926 until his death in 1935. He was succeeded by Carl Bosch, another towering personality and famous technician, who had been chairman of the Vorstand, and who remained as chairman of the Aufsichtsrat until his death in 1940.

From 1940 until the German collapse, the defendant Carl Krauch, who previously had been a leading member of the Vorstand, was chairman of the Aufsichtsrat. Krauch was closely associated with Goering in the Four Year Plan, and in 1938 became the Plenipotentiary General for Special Questions of Chemical Production. Krauch symbolized close cooperation with the political leaders of the Third Reich, and his appointment emphasized the working intimacy between Farben and the government.

After the merger of 1926, the Farben Vorstand comprised about eighty members or deputy members. Since this number was far too large for efficient management, a working committee with about twenty-six members was formed and, in 1937, a new joint stock company law was passed under which the size of the Vorstand was reduced to twenty-seven; most of the members were drawn from the working committee. The working committee was abolished.

Under the Farben bylaws, "the Vorstand conducts the business

of the corporation." Meetings of the full Vorstand were called about once a month. It was further provided that,

> "At these conferences, each Vorstand member shall make a report on the matters specified as requiring Vorstand approval. It is also the duty of each Vorstand member to call attention to matters, the knowledge of which is of importance to other Vorstand members, especially as it may facilitate the over-all appraisal of the business. The various Vorstand members shall, as a rule, submit particularly important matters, which go beyond the framework of the ordinary business, to the full Vorstand for decision."

Among the matters listed as going beyond the framework of ordinary business were: the erection or purchase of new manufacturing and selling facilities within Germany or abroad; selling or reduction of plants; acquisition or abandonment of participations in other enterprises; purchase and sale of patents, license and manufacturing secrets; and the conclusion and termination of cartel agreements, syndicates, and communities of interest. An individual Vorstand member was permitted to act on his own in concluding a matter without Vorstand approval if serious disadvantages would otherwise occur. However, at the next session of the Vorstand, the matter had to be reported for approval. Certain internal personnel matters were handled by a "Central Committee" of the Vorstand, consisting of eight leading members.

All living persons who were members of the Farben Vorstand after 1937 are named in the indictment except one who retired in 1943 and whose health is very precarious. Of the twenty-four defendants indicted, all were members of the Vorstand except the four whose names conclude the list. The chairman of the Vorstand, from 1935 until the end of the war, was the defendant Schmitz.

As is shown by the chart, the Vorstand functioned through numerous committees, departments, and other agencies; and the Vorstand members held the leading positions in these subsidiary bodies. The assignments of Vorstand members to these duties may be classified, in general as "technical" or "commercial"; these designations are somewhat arbitrary and overlapping, but they were in use among the defendants and will serve as a rough guide.

2. *Technical, Commercial, and other Committees and Offices*

The Technical Committee (commonly referred to as TEA) was composed of the technical leaders of Farben, including the principal plant managers and leading engineers. Under the bylaws,

TEA had tremendously important functions; its field included all technical and scientific questions, and all appropriations for operating or expanding the business were examined in TEA before submission to the Vorstand. The defendant ter Meer was chairman of TEA from 1932 until the German collapse, and eleven other defendants were TEA members for substantial periods of time. TEA had numerous subsidiary bodies, the most important of which was the "Technical Commission" (TEKO), which was headed by the defendant Jaehne. TEKO dealt with general engineering problems, and all capital expenditures for engineering purposes were passed upon by TEKO before they were reviewed by TEA.

Below the TEA, the technical organization was divided both geographically and functionally. After the merger in 1926, the various Farben plants were grouped geographically for the purpose of coordinated direction. This resulted in the formation of the five "Works Combines," the very names of which illustrate their geographical basis. The Works Combine Upper Rhine, headed by the defendant Wurster, included the huge Badische plants in Ludwigshafen. The Works Combine Middle Rhine (later called Main [River] Valley), of which the defendant Lautenschlaeger was Chief and defendant Jaehne Deputy Chief, comprised the plants in and near Frankfurt am Main. The defendant Kuehne headed the Works Combine Lower Rhine, with plants situated in Leverkusen and other Ruhr industrial cities. The defendant Buergin was Chief of the Works Combine Central Germany, with its principal plant at Bitterfeld. In 1929, a fifth and smaller Combine was established, which was called "Works Combine Berlin" although its plants were widely scattered.

The individual plants which comprised these combines were at the base of the organizational pyramid. The more important plants were managed or directly supervised by one or more Vorstand members. Thus we find Wurster and Ambros at Ludwigshafen, Lautenschlaeger and Jaehne at Hoechst, Kuehne and Brueggemann at Leverkusen, Buergin at Bitterfeld, Hoerlein at Elberfeld, and Gajewski at Wolfen-Film.

At the end of 1929, Farben undertook a major reorganization on the technical side in order to effect economies and achieve greater coordination in production management. Operations were divided into three functional groups according to the products manufactured, and each of the three directing groups was called a Sparte, or Main Group.

Sparte I included nitrogen, methanol, gasoline, and other synthetic fuels, and coal. The enormous synthetic gasoline plant at Leuna and the nitrogen plant at Oppau were the principal

components of Sparte I, which was headed by the defendant Krauch until 1938, and thereafter by the defendant Schneider. Sparte II, by far the largest and most diverse, coordinated the production of dyestuffs, organic chemicals, pharmaceuticals, light metals, synthetic rubber, and a variety of other products. The defendant ter Meer was its chief. Sparte III was much smaller, and was principally concerned with photographic materials, synthetic fibres, and cellophane. It was headed by the defendant Gajewski.

It is important to note one other Farben agency on the technical side of the chart. This is the Vermittlungsstelle W (Liaison Office Wehrmacht), which was established in 1935 as a coordinating agency between Farben and the German Wehrmacht. The defendant Krauch was more or less its creator. At that time, Krauch was the head of Sparte I, and synthetic gasoline and nitrates were of special military importance. Later on, the other two Sparten participated in the operations of Vermittlungsstelle W, the purpose of which was, as Farben records of 1935 reveal: "the building up of a tight organization for armament in the IG."

Turning to the commercial side, the majority of Farben products were sold through the four "Sales Combines" for dyestuffs, chemicals, pharmaceuticals, and photographic materials. Nitrates, synthetic fuels, and certain other bulk products were sold chiefly through syndicates and other marketing organizations. The defendant von Schnitzler was in charge of the marketing of dyestuffs, and after 1943, also of chemicals. The defendant Mann headed the combine for pharmaceuticals, and the defendant Oster the sales arrangements for nitrogen. Coordination between marketing and production was achieved, as has already been pointed out, not only within the Vorstand but at a lower level in the three so-called "Mixed Committees." The defendant von Schnitzler headed the Dyestuffs Committee and, after 1943, the Chemicals Committee also; the defendant Hoerlein was chief of the Pharmaceuticals Committee.

To match the Technical Committee and to insure coordination in all commercial matters, the Commercial Committee was activated in August 1937, and thereafter became one of the most important policy-forming groups within Farben. Both the Commercial Committee and the Technical Committee usually met the day before Vorstand meetings, and their recommendations were laid before the Vorstand. The defendant von Schnitzler was the chairman of the Commercial Committee, and six other defendants were regular members.

A corporation so far-flung as Farben, of course, needed various

central administrative departments, such as for bookkeeping, insurance, and taxes. Only three of these warrant mention at this time. Most of the plants and combines of Farben had their own legal and patent departments, but their work was coordinated by two Vorstand committees, the Legal Committee and the Patent Commission. The defendant von Knieriem was the chairman of both.

Finally, a considerable number of agencies which came to be located in a particular sector of Berlin was loosely thrown together under the name "Berlin N W 7". The defendant Ilgner was in charge of most of these Berlin offices, and was particularly concerned with intelligence and propaganda activities, which were carried out under the Political Economic Policy Department (commonly known as WIPO), and by an elaborate Economic Research Department, known as VOWI. The defendants Gattineau and von der Heyde were important officials of WIPO.

Thus, each of the defendants was a key official in the organizational structure of Farben. The defendants Krauch and Schmitz headed the two governing bodies of the entire complex. Of the other Vorstand members, eleven, headed by ter Meer, were primarily technical and production men; they were members of the Technical Committee, chiefs of the Sparten and Works Combines, and plant managers. Six others, led by the defendant von Schnitzler, were primarily commercial men, and one, von Knieriem, was chief counsel for the corporation.

Of the four defendants who were not members of the Vorstand, Gattineau and von der Heyde were leading political agents of Farben. Kugler was a member of the Commercial Committee and in charge of dyestuffs sales in eastern Europe. Duerrfeld was the director and construction manager of the Farben plants at Auschwitz.

D. Farben in 1932

Before passing to the charges in the indictment, it will be worthwhile to pause for an over-all look at Farben in the early thirties, just before the advent of the Third Reich. It was the largest chemical concern in the world—participating directly or indirectly in about four hundred German companies and five hundred business enterprises abroad—with the largest and most modern staff of scientists and technicians. According to the defendant von Schnitzler:

> "When one tries to compare the IG with the rest of the chemical industry of Europe, one should never forget that the parent houses of IG, which constituted the merger in 1925,

themselves were by far the biggest enterprises in the chemical domain in Germany. * * * It has always been characteristic of the German chemical industry that there was, on one side, this huge conglomeration of industrial power called IG, and, on the other hand, an extremely great number of small enterprises split over the whole country * * * It is not only that new inventions of outstanding importance were practically alone made by IG and that research work on a large scale was exclusively done by IG, but that the real importance of IG in her capacity as a supplier of all basic products to the other chemical industries was even higher * * * Taken together with the overwhelming position IG has in the field of photographic products, and the strong majority in nitrogen, one has to make the statement that chemistry in Germany and IG are to a great extent synonymous."

Farben's factories and technicians were one of the two great industrial resources of Germany, the other being the coal mines and steel plants of the Ruhr. It is no coincidence that Ludendorff consorted with Duisberg and Krupp von Bohlen, and the famous German diplomat Stresemann once rhetorically asked the defendant von Schnitzler: "What have I as a trump in my hands apart from you, the IG, and the coal people?" Carl Duisberg played a leading part in the establishment of the nationwide organization of industrialists, the Reichsverband der Deutschen Industrie [Reich Association of German Industry]. The chairmanship of this organization was usually held by Farben or Krupp officials. Relations between Farben and the Ruhr heavy industries were reasonably close; Farben owned coal mines and held stock interests in the big steel enterprises, and the defendant Schmitz sat on the Aufsichtsrat of the huge German steel combine, the Vereinigte Stahlwerke.

But the German iron lords never achieved the complete unity which the chemical leaders brought about through the Farben merger, and there can be little doubt that Farben was the most powerful single industrial combine in Germany and, indeed, in Europe. It produced all of Germany's magnesium, nickel, methanol, and synthetic rubber, and nearly all of its dyestuffs. It produced the bulk of Germany's nitrogen, synthetic gasoline, and numerous important chemicals. It produced half of Germany's pharmaceuticals and more than half of its photographic supplies. It dominated the German explosives industry. It enjoyed close relations with the German Government long before Hitler came to power; the defendant Schmitz was a close associate of Chan-

cellor Bruening, and another Farben director, Warmbold, became Minister of Economics.

In the laboratories of Farben, many amazing experiments were being carried to successful conclusions. New inventions and processes poured forth in a never-ending stream; most of them were of inestimable actual or potential value to mankind. And, long before Hitler achieved notoriety, Farben officials were wrestling with two problems, the successful solution of which would go far to make Germany economically self-sufficient, and independent of imports in time of war. One of these was the manufacture of synthetic rubber which, by 1932, had not yet advanced beyond the stage of promising experimental production.

But the other was solved soon after the merger of 1926, through the famous Farben hydrogenation process by which Germany's coal could be transformed into oil, gasoline, and other synthetic fuels and lubricants. The tremendous significance of this discovery is eloquently reflected in a letter written at that time, in 1926, by Frank Howard, an official of the Standard Oil Company of New Jersey, to its president, Walter Teagle, from which I quote:

> "Based upon my observations and discussion today, I think that this matter is the most important which has ever faced the company since the dissolution.*
>
> "The Badische"—the reference being to one of the Farben factories—"can make high grade motor oil fuel from lignite and other low quality coal in amounts up to half the weight of the coal. This means absolutely the independence of Europe on the matter of gasoline supply. Straight price competition is all that is left * * *
>
> "I shall not attempt to cover any details, but I think this will be evidence of my state of mind."

We do not stress these circumstances because any social or economic questions, such as the limits, if any, which should be placed on the size of corporations, are in any way germane to this case. They are not. But the size of the Farben empire and the strategic importance of Farben techniques must be grasped in order to understand the significance of the events which took place during the period covered by the indictment. Farben was Germany's greatest single industrial resource. Countless other industries were entirely dependent on Farben products. Farben techniques held the key to many of the problems which the Wehrmacht wished to solve. The Germany economy could not

* The reference, presumably, is to the dissolution of the original Standard Oil Company under the American anti-trust laws.

have survived without Farben, and no German Government could afford to sacrifice its cooperation, least of all a government intent on rebuilding Germany's military strength. In short, Farben techniques, and Farben leadership were vital necessities to Germany and the German Government, and the defendants knew it. The defendants were not men who could be easily pushed around.

Least of all do we suggest that it is a crime to experiment and invent, whether the results are dyes or drugs or synthetic fuels. The capacity to create is man's most God-like attribute, and several of the defendants were eminently gifted. In the dock sits Heinrich Hoerlein, who discovered luminal and helped develop the sulfa drugs. Carl Lautenschlaeger also made valuable contributions to medical science, and Krauch, Schneider, Ambros, and Gajewski have many useful inventions to their credit. Farben chemists developed sulfanilamide, atabrine, aspirin, pyramidon, novocain, and salvarsan. No doubt it gives the defendants little comfort now to reflect on the fact that numerous discoveries which spread Farben's fame were the work of Jewish scientists, such as Fritz Haber and Paul Ehrlich. Be that as it may, there is no reason to obscure the fact that humanity owes much to Farben chemists.

The defendants, indeed, were privileged to spend most of their lives in the wonderful world of synthesis and transmutation. One can only sorrow that these damaged souls were not content to remain the workers of beneficent miracles, but preferred to be the architects of catastrophe.

Mr. Dubois will continue with the statement, Your Honors.

COUNT ONE: PLANNING, PREPARATION, INITIATION AND WAGING OF WARS OF AGGRESSION AND INVASIONS OF OTHER COUNTRIES

A. Farben and the establishment of the Third Reich

MR. DUBOIS: Count one: Farben and the establishment of the Third Reich. Before outlining the evidence which the prosecution will adduce in support of count one of the indictment, it will be well to set at rest one or two questions which might otherwise give rise to misconceptions. At the outset, it must be made clear what the defendants are charged with.

Whether these defendants, individually or collectively, were Nazis or subscribed to all phases of Nazi ideology, is not the core of the issue here. It is a fact that practically all of them were

members of the NSDAP, but that is not the burden of our proof. We are not trying them for that. It is quite possible that some of the Nazi doctrines were personally distasteful to some of the defendants as individuals. But the fact that some of them may not have been in complete sympathy with all aspects of the Nazi program does not relieve them of responsibility for their actions. Their membership in the Nazi Party is one, but only one, circumstance among many others which must be taken into account in determining what the defendants did, and the knowledge and intentions which gave rise to the acts with which they are charged.

Likewise, it goes without saying that these men have not been indicted because they are "industrialists," or because they exercised great power and controlled great wealth. These things are not declared as crimes by the law under which this Tribunal renders judgment, and the Tribunal is not a forum for debate over the relative merits of different economic systems.

What these men are charged with under count one of the indictment is set forth in Article II of Control Council Law No. 10, which proscribes, as crimes against peace:

> "Initiation of invasions of other countries and wars of aggression in violation of international laws and treaties, including but not limited to planning, preparation, initiation or waging a war of aggression, or a war in violation of international treaties, agreements or assurances, or participation in a common plan or conspiracy for the accomplishment of any of the foregoing."

Furthermore, there is no occasion in this proceeding to resubmit the evidence and proofs concerning the invasions and wars of aggression of the Third Reich. Article X of Military Government Ordinance No. 7, under which this Tribunal is established, provides that:

> "The determinations of the International Military Tribunal in the judgment in Case No. 1 that invasions, aggressive acts and aggressive wars, crimes, atrocities or inhuman acts were planned or occurred, shall be binding on the tribunals established hereunder and shall not be questioned except insofar as participation therein or knowledge thereof of any particular person may be concerned. Statements of the International Military Tribunal in the Judgment in Case No. 1 shall constitute proof of the facts stated, in the absence of substantial new evidence to the contrary."

The starting point of this case under count one, accordingly, is the established fact and considered judgment of the International Military Tribunal that Germany under the Third Reich did plan and carry out invasions and did plan and wage wars of aggression. The invasions and wars of aggression covered by the judgment of the International Military Tribunal are listed in paragraph 2 of the indictment. The only question at issue under count one is the extent to which the defendants knew of, or participated in, the preparation for, and initiation of, invasions and aggressive wars which were planned and which did occur.

To establish guilt for the commission of crimes against peace, it is not, of course, necessary to show that the defendant gave the military order which launched an invasion, or personally fired the first shot. The necessary degree of connection with the crimes to establish the guilt of the defendants is to be determined by paragraph 2 of Article II of Control Council Law No. 10, and in the light of recognized principles of criminal law. Paragraph 2 sets forth that an individual shall be found guilty of the crimes defined in Law 10 if he was (*a*) a principal, or (*b*) an accessory, or if he (*c*) took a consenting part therein, or (*d*) was connected with plans and enterprises involving the commission of the crimes, or (*e*) was a member of an organization or group connected with the commission of the crimes. A further provision of this paragraph, applicable only with respect to crimes against peace, makes reference to the holding of high political, civil, or military positions in Germany, or of high positions in the financial, industrial, or economic life of Germany. This provision, we believe, is not intended to attach criminal guilt automatically to all holders of high positions, but means, rather that legitimate and reasonable inferences are to be drawn from the fact that a defendant held such a position, and places upon him the burden of countering the inferences which must otherwise be drawn.

Nor, to sustain the charges under count one, do we need to prove that the ultimate purpose and final objective of the defendants was to bring about a state of war. We doubt that war was the ultimate objective of anyone in the Third Reich; the objective was conquest. We do charge that the Third Reich had certain political objectives well known to the defendants, and that when they played their crucially important part in rearming Germany, they knew that Germany would use her military strength in invasions or aggressive wars against her neighbors, if that was necessary in order to accomplish the aims of the Third Reich. Force was the chief instrument of its foreign policy. The fact that the defendants or other participants in these criminal acts may have hoped that their objectives could be achieved

by the threat of force rather than by its ultimate application through war, is, we submit, no more a defense for them than it would be for a burglar or robber to express regret that he found it necessary to murder his victim in order to secure possession of the loot.

The origins of the crimes with which the defendants are charged may be traced back over many decades, but for present purposes their genesis is in 1932, when Hitler had established himself as a major political figure in Germany, but before his seizure of power and the advent of the Third Reich. Subsection A of count one of the indictment charges that the defendants, together with other industrialists, played an important part in establishing the dictatorship of the Third Reich. We do not here charge that this, in itself, was a crime under Law No. 10, but it was the first important step in the commission of the crimes against peace with which the defendants are charged.

When we charge an alliance between the defendants and Hitler and the Nazi party, this does not mean that the two groups saw, in all respects, eye to eye. As is usually true, when two powerful groups collaborate, there were disagreements, as will appear from some of the evidence which will be offered. But the evidence will show that the main common aim of both groups was aggrandizement at the expense of other countries and the reaping of the spoils thereof, regardless of whether war might be necessary to accomplish this purpose and regardless of how much death, misery, and destruction might ensue. This common objective bound the two groups together, and without this collaboration, Hitler and his Party followers would never have been able to seize and consolidate their power in Germany, and the Third Reich would never have dared to plunge the world into war.

In the July election of 1932 in Germany, the Nazi Party polled about thirteen million votes out of thirty-six million cast. This was more than double the vote which the Nazis had received at the previous election in 1930, and the Nazi Party's representation in the Reichstag rose from 137 to 230 seats, out of a total of 608. The position of Vice Chancellor was offered to Hitler, but he refused it.

At that time, the economic crisis had reached its climax; German industry was drastically affected, and some members of the Farben Vorstand favored abandoning the costly production of synthetic gasoline at Leuna. The political situation under the von Papen government became increasingly unstable. Hitler's success in the election was impressive, and soon thereafter Farben took steps to establish contact with him.

Farben sent two emissaries, the defendants Gattineau and

Buetefisch, to Munich to discuss with Hitler Farben's most pressing problem—the future of its synthetic gasoline program. Gattineau had had previous contacts with the Nazis, and was a suitable liaison man. He knew Hess personally and was Economic Consultant to Roehm, the Chief of Staff of the Storm Troopers.

Gattineau arranged the meeting through Hess, and came with Buetefisch to find out whether Farben could look for support from the Nazis for governmental assistance, whether by way of higher protective tax or otherwise, which would warrant Farben continuing its costly production of synthetic gasoline. Hitler agreed that Farben's gasoline production should receive the necessary protection. The doubts within Farben immediately disappeared, and the synthetic gasoline program was carried on and expanded. In January 1933, even before Hitler was appointed Chancellor, Farben started to hire thousands of workers for its lignite mines and its Leuna plant.

Why did Farben approach Hitler at that time to discuss matters of such importance? What did they know about him? Whether they knew more than what everyone else in Germany then knew is not important. It is enough that everyone in Germany knew about Hitler when Farben decided to do business with him. Hitler and his party had a program which they had never hesitated to proclaim from the housetops. That program had been announced in 1920 and remained unaltered until the dissolution of the Party in 1945. It consisted of twenty-five points, including the following:

> "Point 1. We demand the unification of all Germans in the Greater Germany, on the basis of the right of self-determination of peoples."
>
> "Point 3. We demand land and territory for the sustenance of our people, and colonization of our surplus population."
>
> "Point 4. Only a member of the race can be a citizen. A member of the race can only be one who is of German blood, without consideration of creed. Consequently no Jew can be a member of the race * * *."
>
> "Point 22. We demand abolition of the mercenary troops and formation of a national army."

The plain meaning and ultimate fruition of these points has been well summarized in the judgment of the International Military Tribunal:*

> "The demand for the unification of all Germans in the Greater Germany was to play a large part in the events pre-

* Judgment of the International Military Tribunal, Trial of the Major War Criminals, vol. I, p. 175.

ceding the seizure of Austria and Czechoslovakia; the abrogation of the Treaty of Versailles was to become a decisive motive in attempting to justify the policy of the German Government; the demand for land was to be the justification for the acquisition of 'living space' at the expense of other nations; the expulsion of the Jews from membership of the race of German blood was to lead to the atrocities against the Jewish people; and the demand for a national army was to result in measures of rearmament on the largest possible scale, and ultimately to war."

Other Nazi publications, clearly foreshadowing ruthless dictatorship, declared that,

"Everything active has long lost faith in parliaments and majority rule. The rootless unracial idea of democratic parliamentarism is dying today and no longer finds followers who are ready to give their lives at the barricades for this form of constitution. No propaganda will be able to revive this corpse * * * "

If anyone doubted that the Party platform represented Hitler's personal views, ample confirmation was to be found in "Mein Kampf." These were the views of Hitler and his Party, and this was the man and the program, widely publicized and well-known to the defendants, at the time that Buetefisch and Gattineau went to Munich to discuss Farben's synthetic gasoline program with Hitler.

The Nazi Party suffered a setback, however, in the German election of November 1932. Hitler dropped some two million votes, and Nazi representation in the Reichstag fell from 230 to 196 seats. The election was a serious blow to Hitler's aspirations; shortly thereafter, Joseph Goebbels wrote in his diary:

"Deep depression is prevalent in the organization. Financial worries prevent any constructive work * * *. In the evening, the Fuehrer was at our house. We could not get into the right spirit. We were all very discouraged, particularly in the face of the present danger that the entire Party may collapse and all our work be in vain. We are now facing the decisive test."

But soon after this depressing entry, Hitler's fortunes rose abruptly and decisively. A petition signed by leading industrialists and financiers had been presented to President von Hindenburg calling upon him to entrust the Chancellorship to Hitler. Early in January 1933, von Papen and Hitler met in conference

at the home of the Cologne banker, Baron Kurt von Schroeder. Thereafter, von Papen conferred with President von Hindenburg, and on 30 January 1933, von Hindenburg appointed Adolf Hitler Chancellor of the German Reich.

Thus the Third Reich was born, but the monstrous infant was not yet out of danger. The Nazi Party's slender purse, which had worried Goebbels some weeks earlier, was a serious obstacle to success in the election which was scheduled for March 1933. But the financial problem was solved, and Hitler's power was assured. The defendants, through Farben, participated in furnishing the necessary funds and thereby assisted in cementing Hitler's power. This took place just three weeks after Hitler had been appointed Chancellor.

On 20 February 1933, Goering invited about twenty leading German bankers and industrialists to his home to obtain financial support for the Nazis in the coming election. Farben was represented at this meeting by the defendant von Schnitzler, and others in attendance included Gustav Krupp von Bohlen and Dr. Hjalmar Schacht. Hitler appeared and delivered a long speech, at the conclusion of which this powerful assemblage subscribed to a fund of three million marks to be put at his disposal in the coming election. Krupp von Bohlen made notes summarizing Hitler's speech, and these notes will be offered in evidence.* Inasmuch as Hitler's speech is compelling evidence of the nature of the man and the program which the industrialists determined to support, substantial portions of it merit quotation. Hitler said in part:

> "Private enterprise cannot be maintained in the age of democracy; it is conceivable only if the people have a sound idea of authority and personality. Everything positive, good, and valuable which has been achieved in the world, in the field of economics and culture, is solely attributed to personality. When, however, the defense of the existing order, its political administration, is left to a majority, it will irretrievably go under. All the worldly goods which we possess, we owe to the struggle of the chosen * * *.
>
> "It is not by chance that one person accomplishes more than the other. The principle of private ownership which has slowly gone into general conception of justice and has become a complicated process of economic life is rooted in this fact. The course which we have to take is clearly indicated. It is, however, not enough to say we do not want communism in our economy. If we continue on our old political course, then we shall perish. We have fully experienced in the past years that

* Document D-203, Prosecution Exhibit 37, reproduced in section VII C 3.

economics and politics cannot be separated. The political conduct of the struggle is the primary decisive factor. Therefore, politically clear conditions must be reached * * *. It is, therefore, the noblest task of the leader to find ideals that are stronger than the factors that pull the people apart. I recognized even while in the hospital that one had to search for new ideas conducive to reconstruction. I found them in nationalism, in the value of personality, and in the denial of reconciliation between nations * * *. Of course, nothing is being accomplished by simple denial of such thoughts, one has to offer new thoughts. If one rejects pacifism, one must put a new idea in its place immediately. Everything must be pushed aside, everything replaced by something better * * *. We must not forget that all the benefits of culture must be introduced more or less with an iron fist just as one time the farmer was forced to plant potatoes * * *."

Still from Krupp von Bohlen's notes:

"Now we stand before the last election. Regardless of the outcome, there will be no retreat even if the coming election does not bring about decision. One way or another, if the election does not decide, the decision must be brought about by other means. I have intervened in order to give the people once more the chance to decide their fate by themselves * * *. The necessity to make sacrifices has never been greater than now. For business, I have the one wish that it go parallel with the internal structure to meet a calm future. The restoration of the Wehrmacht will not be decided at Geneva but in Germany, when we have gained internal strength through internal peace * * *. There are only two possibilities, either to crowd back the opponent on constitutional grounds, and for this purpose once more this election, or a struggle will be conducted with other weapons, which may demand greater sacrifices. I would like to see them avoided. I hope the German people thus recognize the greatness of the hour. It shall decide over the next ten or probably one hundred years. It will become a turning point in German history to which I pledge myself with glowing energy."

(Recess)

MR. DUBOIS: That was Hitler speaking and that is what the defendant von Schnitzler heard Hitler say on 20 February 1933, less than two weeks before the March election. Goering followed Hitler with a request for financial support and concluded by saying that: "The sacrifices asked for surely would be so much easier for industry to bear if it realized that the election of March

5 will surely be the last one for the next ten years—probably even for the next one hundred years." Schacht then said: "On this table we must raise a fund of three million marks."

Von Schnitzler went back and reported what he had heard to the other Farben officials. Farben contributed 400,000 marks for Hitler's campaign—the largest single contribution by any of the firms represented at the meeting. The payment was made on 27 February 1933. The next day the Reichstag building was set on fire, and on the same day Hitler and his Cabinet, utilizing the fire as a pretext, promulgated a decree suspending the constitutional guarantees of freedom. By this decree, certain sections of the German constitution were indefinitely suspended and, as the decree stated:[1]

> "* * * restrictions on personal liberty, on the right of free expression of opinion, including freedom of the press, on the right of assembly and the right of association, and violations of the privacy of postal, telegraphic, and telephonic communications, and warrants for house-searches, orders for confiscations as well as restrictions on property, are also permissible beyond the legal limits otherwise prescribed."

This was the first act of the man and the party after receiving the subsidy which Farben had so generously provided. The decisive election was held with the constitutional guarantees in a state of suspension one week later; the Nazi Party received seventeen million votes out of thirty-nine million cast, and 288 Reichstag seats out of a total of 647. Still lacking a majority, Hitler applied the "other methods" which he had threatened to use in the speech which von Schnitzler had heard on the 20th of February. Opposition members in the Reichstag were taken into "protective custody" and, in their enforced absence, the Reichstag, on 24 March 1933, passed the Enabling Act which gave Hitler full legislative power, including the power to deviate from the constitution. Thus perished democracy and liberty in Germany; the Third Reich had come to stay for twelve long and terrible years.

Were the defendants shocked, disappointed, or even surprised at the swift and brutal course of dictatorship? In April 1933, Hermann Goering founded the Gestapo. In that same month, the Reich Association of German Industry, of which Carl Duisberg was a founder and Farben a member, submitted to Hitler a plan for the reorganization of German industry according to the "Fuehrerprinzip" or "leadership principle." In transmitting the plan, Gustav Krupp von Bohlen stated that:[2]

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[1] Document PS–1390, Prosecution Exhibit 63, "Decree of the Reich President for the Protection of the People and State," of 28 February 1933, is not reproduced herein.

[2] Document D–157, Prosecution Exhibit 67, is not reproduced herein.

"The turn of political events is in line with the wishes which I myself, and the board of directors, have cherished for a long time. In reorganizing the Reich Association of German Industry, I shall be guided by the aim of bringing the new organization into agreement with the political aims of the German Government."

In July 1933, a law was passed declaring the NSDAP to be the only political party, and making it criminal to maintain or form any other political party. Three days earlier, representatives of the Du Pont Company of Delaware met with Carl Bosch, then chairman of the Farben Vorstand, who told them that:

"Just now it is a question of fascism and bolshevism, and industry must support the present government to prevent further chaos. In the beginning, Hitler did not consult industrial leaders, but in recent weeks he has shown his stability by curbing the more extreme elements of the Party and by bringing the industrial leaders into consultation with him."

What did Farben regard as "stability"? And what was it that seemed to them preferable to "chaos"? During the remaining months of 1933, the grip of tyranny grew even tighter. The independence of the judiciary was fatally undermined, special political courts were established, and the concentration camp made its appearance. Jews were eliminated from the civil service and otherwise persecuted, the trade unions were strangled, and the Hitler Youth was organized on military lines. Joseph Goebbels established the Ministry of Public Enlightenment and Propaganda to insure distortion and suppression of the truth. Within Goebbel's Ministry, Walther Funk established a "National Advertising Council of the German Economy" [Werberat der Deutschen Wirtschaft], on which the defendants von Schnitzler, Mann, and Gattineau were pleased to serve. Germany withdrew from the International Disarmament Conference and from the League of Nations. Germany's foreign policy was "ratified" by a so-called "election" in November 1933. At the same "election," the defendant Schmitz, as a Nazi nominee, was elected to the Reichstag. As government turned into dictatorship, and Germany set her feet on the road to war, Farben became ever more closely integrated with, and vital to, the Third Reich, which it had helped to create.

B. Planning and Preparing Invasions and Wars of Aggression

In approaching the defendants' career of partnership with Hitler and the Wehrmacht during the years prior to the outbreak of the war, we may profitably remind ourselves that the prepa-

ration of a war against major powers is an undertaking of staggering magnitude. It cannot be done by one man or any single group of men. It must be organized among all the leaders of a nation, and it calls for the most meticulous and deliberate planning all down the line. Mr. Justice Jackson set this forth with admirable clarity before the International Military Tribunal:

> "This war did not just happen. It was planned and prepared for over a long period of time and with no small skill and cunning. The world has perhaps never seen such a concentration and stimulation of energies of any people as that which enabled Germany twenty years after it was defeated, disarmed, and dismembered, to come so near to carrying out its plan to dominate Europe. Whatever else we may say of those who were the authors of this war, they did achieve a stupendous work in organization***. Financiers, economists, industrialists, joined in the plan, and promoted elaborate alterations in industry and finance to support an unprecedented concentration of resources and energies upon preparations for war***. These preparations were of a magnitude which surpassed all need of defense, and every defendant, and every intelligent German, well understood them to be for aggressive purposes."*

Farben's full scale collaboration in the program of the Third Reich was abundantly manifested immediately after Hitler's seizure of power. In outlining the evidence today, we will lay principal stress upon its participation in rearming Germany for aggressive purposes, but it must not be thought that this was the only field in which Farben found common ground with the Nazis. Farben continued to give the NSDAP generous financial support, and carefully adapted its sales and publicity programs in accordance with Nazi ideas. If any doubts lingered in the minds of the defendants, they were not manifested by word or deed. We will outline the proof of these charges chronologically.

1933

The Tribunal will recall that, when Farben first established contact with Hitler through Gattineau and Buetefisch in 1932, Farben had been chiefly concerned with securing Hitler's support for the continuation and expansion of its synthetic oil program. Hitler gave them satisfactory assurances, and soon after the seizure of power in the spring of 1933, Hitler invited Carl Bosch, then chairman of the Farben Vorstand, to meet with him and discuss the details of the program which Buetefisch and Gattineau had outlined in 1932. The meeting was not without its bargaining

* Trial of the Major War Criminals, volume II, pages 104, 131.

aspects; Hitler was chiefly interested in quantity production, whereas Farben was anxious for government guarantees relating to prices and for the purchase of Farben's output. While the full details of the meeting are not known to the prosecution, it is clear that Farben received assurances which led them to develop a program for expansion of the Leuna plant.

Farben immediately proceeded to establish close relations with the German Air Ministry, in order to develop the aviation market for synthetic gasoline. In the spring of 1933, the defendant Krauch, at that time the head of Sparte I (the Sparte concerned with nitrogen and synthetic fuels), wrote to Erhard Milch, the State Secretary and second in command of Hermann Goering's Air Ministry. Krauch outlined the basis for expansion of Farben's synthetic fuel facilities on the basis of a "four year plan." This concept of a four year plan was later adopted by Hitler and Goering for Germany as a whole, as will subsequently appear. Krauch's letter[1] contained the following:

> "It will, of course, be easily possible to accelerate the speed of this expansion so as to reach the production target in a shorter time***. It is, for example, quite possible to replace the contemplated increase in the production of crude oil and production from slow combustion bituminous tar, more or less through the direct hydrogenation of lignite and pit coal. This would give us the advantage of enabling us to start from an assured raw material basis and of being independent of by-products***.
>
> "As far as hydrogenation is concerned, we have worked for quite some time on the production of suitable aviation gasoline. We can now state that, according to technical conditions, it would easily be possible to produce aviation gasoline as well as lubricants suitable for airplanes through domestic production. At this time, the Lufthansa is making exhaustive tests with our gasoline***. If there are any points arising out of the matter which require additional elucidation, I shall be glad to furnish you with further verbal information."

On the basis of the Krauch report, Milch called a special meeting at the Air Ministry with Lieutenant General von Bockelberg, Chief of the Army Ordnance Office, and Lieutenant Colonel Thomas (who later became the Chief of the Military Economics Staff), and reported to them on his conference with Krauch. The minutes of this meeting[2] state:

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[1] Document NI-4718, Prosecution Exhibit 138, is reproduced below in section VII C 4. Defendant Krauch's letter is dated 14 September 1933.

[2] Document NI-7123, Prosecution Exhibit 90, is reproduced below in section VII C 4.

"Secretary of State Milch handed over to Lieutenant General von Bockelberg a memorandum of the IG (Dr. Krauch) concerning the expansion of the domestic basis of raw materials, and proposed that both of their offices vigorously sponsor the project before the appropriate government agency. The appointment of a Commissar with authority to take necessary measures to carry the project into effect was considered necessary."

Three months later, in December 1933, Farben received a formal contract from the government for synthetic gasoline production. The contract was approved for the government by Hitler personally. Farben undertook to enlarge its Leuna plants so that, during the second half of 1934, a minimum production of 80,000 tons would be reached, and by 31 December 1937, a minimum production of 300,000 to 350,000 tons. For this the Reich guaranteed to Farben for ten years—until 30 June 1944—a price corresponding to the cost of production. The Reich pledged itself to take measures assuring the sale of the gasoline manufactured.

With the synthetic gasoline program successfully launched, Farben turned its attention to synthetic rubber. Again the military authorities were called to the council table. In August 1933, Farben wrote to the Army Ordnance Office reporting on the status of synthetic rubber experimentation. After detailing its work on rubber during the first World War and pointing out that research had been curtailed because of the financial risk, Farben's letter[1] stated:

"Of importance, furthermore, would seem to be certain indications that the new products surpass natural rubber tires in non-skid properties. On these grounds the manufacture of synthetic rubber would seem to hold out some promise once again, so that the IG would be willing to resume its experiments on a large scale***. In order to avoid misunderstandings, it should be stated once more that it is impossible to manufacture synthetic rubber at a price approximating, even remotely, that of the present price of natural rubber, but that it is hoped to counterbalance higher costs by higher quality."

After several months and more conferences, the Reich Minister for Economic Affairs wrote to Farben:[2]

"I am very much interested indeed in the manufacture of synthetic rubber in view of the decrease in the import of raw

[1] Letter referred to, dated 15 August 1933, is the first item in Document NI-6930, Prosecution Exhibit 545, all three parts of which are reproduced below in section VII E 2.

[2] Reich Minister for Economic Affairs letter, dated 23 November 1933, is Part 3 in Document NI-6930.

materials from abroad and, also because of the opportunities it might offer for the provision of employment. I, therefore, appreciate it very much that your firm is prepared to resume the manufacture of synthetic rubber on a larger scale***. I shall, moreover, approach the Reich department concerned as soon as the tires are available, so that they can be subjected to extensive practical tests. Should the tests produce favorable results, I shall gladly give further support to the matter by instructing government departments and public institutions to use synthetic tires provided prices are satisfactory."

Having secured these assurances, Farben intensified its experimental work with synthetic rubber, which came to fruition several years later. Far more than any other two things, Germany needed synthetic gasoline and synthetic rubber to enable it to fight a war under the economic pressure of enemy naval superiority. Accordingly, these were the two fields in which Farben's efforts were primarily concentrated. Less significant but more obviously warlike activities were not lacking. As early as March 1933, gas masks were issued to Farben employees, and training programs for defense against air raids and gas attacks were launched. Experimentation with smoke screens was begun in collaboration with the Reich War Ministry. The German Air Ministry, having noticed an article in a French technical periodical with respect to a new and highly lethal poison gas which Farben was said to have discovered, sent an inquiry to Farben, and the defendant Krauch dispatched one of Farben's leading scientists to Berlin "to give the required explanation."

On the political front, Farben supported Hitler and the Nazi Party wholeheartedly and energetically throughout these months when concentration camps were being established, and one tyrannical decree after another issued from Berlin. Farben made numerous financial contributions in 1933 to the Party and its various organizations, and Carl Duisberg assured the Reich Association of German Industry that "on account of their absolutely positive attitude to the whole matter" Farben was "naturally prepared" to contribute to the Adolf Hitler Fund, which Gustav Krupp von Bohlen had organized. In April 1933, Farben's plant leader at Leverkusen, the defendant Kuehne, exhorted all his employees to participate in the May Day Rally, stating that "the main issue is that on this day of all days, Germany should stand behind its government." In May, still in 1933, a circular was issued to all Farben plants stating that the management would "welcome suitable representations of National Socialist aims within the National Socialist factory cell organization." In June, a Farben

committee determined "that it should be a matter of course, when engaging new people, to give preference to members of semi-military organizations," with obvious reference to the SS, SA, and other Nazi uniformed gangs. In July 1933, Carl Bosch was appointed by Hitler to a small and select economic council of government officials and prominent industrialists. Later that month, the defendant Schmitz became chairman of one of Hitler's pet projects, called the "House of German Art," [Haus der Deutschen Kunst] and, in soliciting funds for its construction, he explained that:

> "The Reich Chancellor * * * will be present at the laying of the foundation stone and will proclaim the cultural construction program in a manifest. For the construction of the building, six million reichsmarks have to be raised. This task will not be easy. It may, however, be easier owing to the fact that it is the execution of a personal favorite idea of the Reich Chancellor's. The 'House of German Art' is, therefore, planned as a gift of the German people to the Reich Chancellor."

Farben's viewpoint abroad paralleled its outlook at home. Hitler's brutal dictatorship—and in particular, the anti-Semitic outrages of the Third Reich—caused public opinion to react violently in other countries, especially in the United States. Spontaneous boycotts of German goods injured German trade. Some of Farben's foreign agents endeavored to persuade the Vorstand to use its influence to soften the anti-Jewish policies, in the interests of Farben's export trade. But Farben was playing for bigger stakes, and its reaction to the American boycott was the launching of a vigorous and insidious propaganda campaign which would have done credit to Goebbels himself. They retained a well-known public relations expert, Ivy Lee, to devise methods for countering the boycott and organizing pro-German propaganda. Farben's Pharmaceutical Sales Combine, headed by the defendant Mann, had extensive connections in the United States, and, at the end of 1933, it distributed a circular letter* to its American representatives, which contained the following:

> "* * * we are particularly desirous of describing to you in detail the actual conditions as they prevail under the new National Socialistic Government in Germany. We wish to express the hope that this report will supply you with important data, enabling you to continue to assist us in our *struggle for the German conception of law*. We ask you expressly, in connection with your collaborators and your personnel, to make use of

* Document NI-10267, Prosecution Exhibit 782, reproduced below in section VII D 2.

these data in a manner which appears appropriate to you, to the end that all coworkers in our pharmaceutical business become familiar with these general, economic, and political conceptions.

* * * * * * *

"Within Germany, the Reichstag fire gave the signal for the fight against Communists and Marxists, who, in armed revolt, were intent upon bringing Germany again to the brink of the abyss once more. The government stepped in and purged the country with an iron hand. Peace was restored to the people * * *.

* * * * * * *

"*Achievement* took the place of patronage and Party membership, as the means of securing office; *order and honesty again became the guiding principles in German public life.*"

1934

In January 1934, Hitler signed a mutual non-aggression pact with Poland. Later that year, Hjalmar Schacht submitted a report* to Hitler which began with the words:

"Following the establishment of the Reich Defense Council and its permanent committee, the Reich Ministry of Economics has been charged with the task of mobilization for economic warfare. The tremendous importance of this task really ought not to require any further explanation. The terrible consequences of the lack of any economic war preparations for World War I are still vividly remembered."

Schacht went on to list a number of "urgent difficulties" and to explain what steps had been taken to overcome them. He explained that the plants which manufactured highly concentrated nitric acid, a prerequisite for the production of ammunition, were concentrated along the Rhine near the western border of Germany. He thought it imperative to set up another large plant in the safer zone of Central Germany. The construction of such a plant had been commenced at Doeberitz, and was to be finished by next spring. The Doeberitz plant was a secret plant, financed by the Reich, but it was built by Farben and operated by Farben.

Schacht expressed similar worries with respect to ferrous alloys necessary for the production of high grade steel. Again Farben had been only too obliging; a part of its facilities for the production of ferrotungsten, which Schacht described as being "exclusively located in the danger zone" near Aachen, was transferred to Central Germany.

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* Document EC–128, Prosecution Exhibit 716, reproduced below in section VII E 2.

Schacht then discussed the light metals situation. This problem was met in part by Farben's construction of a large plant in Central Germany for the manufacture of magnesium and aluminum. It was built by Farben in close collaboration with the German Air Force, which carefully examined the site from the standpoint of security against air raids, and also absorbed the entire production.

Schacht was also concerned, in the year 1934, about the lack of sufficient stocks of essential chemicals and critical war materials:

> "In view of the uncertain duration of a war, these stocks have to be saved most carefully right from the beginning * * *. Pyrites are the basic raw material of sulphuric acid, which is an indispensable chemical intermediate product. In Germany, it can only be produced in the danger zone (Westphalia). The I.G. Farbenindustrie A.G. has been induced to complete the stockpile of an additional amount of pyrites during this winter. Furthermore, the conversion of a large plant of this Konzern to the production of sulphuric acid from gypsum is going to bring considerable relief in this respect."*

In 1934, Farben participated in this stockpiling program. Not only were pyrites stocked at the Wehrmacht's request, but also huge amounts of stabilizers for explosives, and other chemicals. At one plant, the entire output of magnesium was stored in incendiary bomb tubes which were packed in ordinary boxes and labeled "textile cases" for purposes of camouflage.

Schacht was also worried about stocks of motor fuels, and wanted to build and fill large underground storage tanks which would be immune from air raids. But in this field, Farben was chiefly interested in synthetic production which would make Germany independent, once and for all, of imports. In 1934, a government-sponsored corporation known as BRABAG (the letters stood for Braunkohle-Benzin A.G.) was established to derive synthetic gasoline from brown coal by means of the Farben hydrogenation process. The technical head of BRABAG was the defendant Buetefisch.

In 1934, Schacht was also making detailed plans for industrial mobilization, and established a series of "economic groups" [Wirtschaftsgruppen] to make plans in conjunction with the German Army. Above these groups was the Reichsgruppe Industrie (Reich Group Industry), in which the defendants Schmitz, von Schnitzler, and Jaehne were very active. Farben was also well represented in the subordinate committees for particular industries, and in the Economic Group Chemical Industry, the

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* Ibid.

defendants von Schnitzler, ter Meer, Wurster, Oster, and Ambros all played important parts.

Plans for the protection of Farben plants against air raids continued to be made, and tried out in training, with the utmost energy and seriousness. All Farben plants engaged in maneuvers which were called "war games." On the map of a particular plant, an umpire would mark various points where bombs of a certain weight were assumed to have fallen. The works management devised plans for the speedy repair of the damage, and made estimates as to the length of time that various parts of the plant would be out of operation. For greater protection (for example, at the Leuna plant), production was organized in independent units, so that it could continue despite bomb damage to individual units. High ranking officers of the Wehrmacht attended these games and consulted with the Farben officials. These precautions, it might be added, paid good dividends during the recent war, at the conclusion of which only 13 percent of Farben's productive capacity had been eliminated by bombing.

Farben's devotion to the Nazi Party and to the Third Reich continued to be ironclad. The Farben directors at Leverkusen distributed Hitler's speeches and other propaganda to thousands of foreign distributors. They withdrew their advertising from foreign newspapers that published articles critical of the Nazis. Farben agencies in Chile and Argentina supported, financially and otherwise, the establishment of local chapters of the Nazi Party and the dissemination of propaganda through German chambers of commerce.

1935

In 1935, the Nazi pace quickened, and the Third Reich took the first open steps in violation of the Treaty of Versailles. In March, Goering publicly announced that Germany was building a military air force. Later that month, compulsory military service was instituted and the German Army was established with a peacetime strength of 500,000 men. In May, on the same day that Hitler renounced the disarmament clauses of the Versailles Treaty, paying lip service to the territorial limitations of that treaty and to the Locarno Pacts, the Secret Reich Defense Law was passed, defining the powers and duties of the Reich Chancellor and the other Ministers in case Germany became involved in war. As the International Military Tribunal found,

> "It is clear from this law that by May of 1935, Hitler and his government had arrived at the stage in the carrying out of their policies when it was necessary for them to have in existence the

requisite machinery for the administration and government of Germany in the event of their policy leading to war."[1]

Intransigence abroad was accompanied by a tightening of the vise of dictatorship at home. September 1935 was the month of the infamous Nuernberg laws.

Farben's concentration on armament matters was correspondingly intensified. The activities of the defendants—their purchases, sales, production, expansion, and research—fell so exclusively in the military domain that the Vorstand established in Berlin a Farben military liaison agency, the Vermittlungsstelle W. In September, the defendant Krauch sent a confidential letter[2] to all plant directors explaining this new agency:

"The Central Committee [of the Vorstand] has determined to create a *Vermittlungsstelle (W)* in our place of business in *Berlin NW 7, Unter den Linden 78,* in order to provide systematic cooperation within the IG in the current development of military economy, and particularly to assure central treatment of the questions of military economy, military policy, and military technic * * *.

"From now on, all correspondence—even about matters still in abeyance—with the Reich Ministry of War * * * the Navy Office * * * the Reich Air Ministry * * * and, for military economic questions, with the Reich Ministry of Economics also, is to be addressed exclusively to the Vermittlungsstelle * * *.

"The liaison agency is ready to give any information about and act as mediator in military economic and military policy questions, which are part of its sphere of work * * *."

With the establishment of the Vermittlungsstelle W, Farben synchronized all its activities with the military plans of the German High Command. The extent to which the defendants committed their entire organization to military purposes is set forth in a report[3] prepared by the defendant Krauch in December 1935. The report states, in part:

"With the creation of the Wehrmacht, German industry was given the task of bringing its plants and its organization in line with building up the defense of the country, which meant to reorganize its existing plants and offices from the point of view of military economy.

"The newly founded Vermittlungsstelle W has as its task the unifying and coordinating of these matters within the IG or-

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[1] See *Trial of the Major War Criminals,* volume I, page 184.

[2] Document NI–4702, Prosecution Exhibit 101, reproduced below in section VII H 2.

[3] Document NI–2638, Prosecution Exhibit 140, reproduced below in section VII H 2.

ganization. The aim of this work is the building up of a tight organization for military economy in the IG * * *.

"In case of war, IG will be treated by the authorities concerned with military economy questions as one big plant which, as far as it is possible to do so from the technical point of view, will settle its problems concerning military economy independently, without any organizational influence from outside * * *.

"To the field of the work of Vermittlungsstelle W belongs, besides the organizational set-up and long-range planning, continuous collaboration with regard to armament and technical questions between the authorities of the Reich and the plants of the IG."

The continual and detailed joint planning between Farben and the Wehrmacht which precipitated the establishment of Vermittlungsstelle W is exemplified in the "strictly confidential" minutes of a conference held at a Farben plant in 1935 with officials of the Army Ordnance Office and the Reich Air Ministry.* The Army was interested in the use of methanol for automobile motors, and the Luftwaffe in the synthetic production of iso-octane. The use of synthetic lubricating oil for airplane engines was then discussed in the light of the high cost of its production. The conferees noted that:

"Rejection of these processes due to the fact that they are uneconomical cannot be a primary consideration for the purpose of the Reich Air Ministry, if production of the extremely high quality materials for a limited sphere of utilization can be achieved with their help."

The strategic nature of this developmental work is illustrated by another extract:

"The IG is bound by contract to an extensive exchange of experience with Standard [Oil]. This position seems untenable as far as developmental work which is being carried out for the Reich Air Ministry is concerned. Therefore, the Reich Air Ministry will soon conduct an extensive examination of applications for patents of IG. Furthermore, the IG will suggest the necessary security measures to the Reich Air Ministry under special consideration of the situation."

In 1935, Farben's work with synthetic rubber was reaching the point of practical application and strategic significance. In January, representatives of the Army Ordnance Office visited Farben's

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* Document NI-5931, Prosecution Exhibit 523, not reproduced herein, contains the minutes of the conference mentioned, held on 24 June 1935.

Leverkusen plant to determine whether to concentrate on the synthetic program or on the stockpiling of natural rubber. The Army representatives indicated that "the production of synthetic rubber is no longer a question of foreign exchange, but has become a question of military policy * * *. The requirements of the Wehrmacht will * * * be decisive."[1] It was decided that additional tests would be made, and that during the summer Hitler would be shown articles made of synthetic rubber.

The report on this conference in January notes that the peacetime requirements of the German Army were "150 to 250 tons per month." But in September, Farben committed itself to the construction of a factory with a capacity of 1,000 tons per month. This occurred as the result of a conference between the defendant ter Meer and Wilhelm Keppler, Hitler's personal economic advisor. Ter Meer's report on this meeting[2] states in part:

"Keppler considers the immediate construction of a large installation necessary. Because of the fast progress in motorizing the Army, it will be necessary to deal with the problem of synthetic rubber most emphatically. This was a demand made by the Fuehrer, as well as by the military authorities, von Blomberg and Liese * * *. After a long discussion the following procedure is intended:

"(1) The IG is to erect a factory, probably at Piesteritz, with a capacity of 200 to 250 tons of rubber per month and planned for an expansion to 1,000 tons per month.

"(2) The installation must be made as fast as possible. The stated time of erection of one year given without obligation will be shortened if possible * * *.

"(4) Keppler pledges himself to negotiate with the military authorities and to obtain a guarantee for disposal for several years at a fixed price * * *.

"(6) The construction is to be started immediately, as soon as the anticipated disposal guarantees from the military authorities are available."

Subsequently, Keppler discussed the matter with Hitler, and then with the Reich Finance Minister, in order to obtain for Farben the necessary security to justify construction of the factory which, in fact, was built the following year. Keppler's letter to ter Meer's deputy, written after his conferences with Hitler and the Finance Minister, included the following:

"As you know, the Fuehrer is greatly interested in speeding up the construction of the installation as much as possible. I,

[1] Document NI-8326, Prosecution Exhibit 95, not reproduced herein.

[2] Document NI-4713, Prosecution Exhibit 546, dated 19 September 1935, is reproduced in section VII E 2.

therefore, ask you to carry on with your planning work as before and to start building as soon as an agreement between us concerning the main questions is reached. This is also in accordance with the suggestion of your Dr. ter Meer, in any case."*

The year 1935 also witnessed the development of very close relations between Farben and Hermann Goering through Carl Bosch and the defendant Krauch, and through General Erhard Milch and other high officials of the Reich Air Ministry. Milch and a party of his subordinates visited the Farben plants on the upper Rhine in July 1935, and upon his return to Berlin, wrote to Krauch, in part as follows:

"* * * I would like to thank you specially for the friendly reception you gave us at Oppau. All participants were deeply impressed by the informative talks and demonstrations given them there. I, myself, have immediately informed General Goering, who is also particularly interested in questions of this nature. As soon as he has finished his summer vacation, he plans to ask you to come for a leisurely visit to Karinhall, in order that he, too, can discuss with you the long-range viewpoints."

Krauch acknowledged this letter equally cordially, expressing pleasure that Milch's visit had furnished the "opportunity to discuss all questions pertaining to German aviation." A few months later, Carl Bosch and Krauch, with other Farben officials, returned the visit as Milch's guests at the Air Ministry. The Farben "thank-you" note for this occasion stated that Bosch had made a report to the Central Committee of the Farben Vorstand in which he "emphasized how strongly the many new things which we were privileged to see on our visit to you impressed him." The more significant results of these state visits and courtesies were manifested the following year.

MR. SPRECHER: May it please the Tribunal.

1936

Wisdom after the event is a far more common human attribute than true foresight. In the retrospect of 1947, and with the information contained in these and other documents, it seems that any intelligent man should have realized, from the very moment of Hitler's seizure of power, that the Third Reich was headed inevitably toward war. And certainly there were many who did foresee and who gave warning. But, making every allowance for

* Ibid.

human credulity and indifference, and for the natural, if lazy, optimism which always prompts the hope that things will turn out all right somehow, the conclusion is inescapable that, long before the attack on Poland and well in advance of the Austrian and Czechoslovakian invasions, all highly placed officials of the Third Reich, and influential men who did business with them and had access to official information and opinion, must have known that war was bound to come, if they did not know just when or how it would first break out. And there is much evidence to suggest that the latest year in which such a conclusion must have forced itself upon the minds of such men is the year 1936.

In March 1936, the Third Reich put its small but burgeoning military strength to practical use for the first time, when German troops occupied the demilitarized zone of the Rhineland. This did not change the territorial boundaries of the Reich, but it altered the military situation very fundamentally, and it was the first time since 1918 that German troops, on German initiative, had marched to settle an international political issue by force.

But other events, less sensationally described in the newspapers, were probably of much deeper significance. Hjalmar Schacht, as Minister of Economics and Plenipotentiary General for War Economy, had been the leading figure in organizing the German economy for war. Many documents testify to the energy and determination with which Schacht had carried out this task. But, as the International Military Tribunal found:

> "Schacht, by April 1936, began to lose his influence as the central figure in the German rearmament effort when Goering was appointed Coordinator for Raw Materials and Foreign Exchange. Goering advocated a greatly expanded program for the production of synthetic raw materials which was opposed by Schacht on the ground that the resulting financial strain might involve inflation. The influence of Schacht suffered further when, on 18 October 1936, Goering was appointed Plenipotentiary [General] for the Four Year Plan, with the task of putting 'the entire economy in a state of readiness for war' within four years. Schacht had opposed the announcement of this plan and the appointment of Goering to head it, and it is clear that Hitler's action represented a decision that Schacht's economic policies were too conservative for the drastic rearmament policy which Hitler wanted to put into effect.
>
> "After Goering's appointment, Schacht and Goering promptly became embroiled in a series of disputes * * *. As a result of this dispute and of a bitter argument in which Hitler accused Schacht of upsetting his plans by his financial methods, Schacht

went on leave of absence from the Ministry of Economics on 5 September 1937, and resigned as Minister of Economics and as Plenipotentiary General for War Economy on 16 November 1937."[1]

The importance of the issues involved in this clash between Goering and Schacht can hardly be overstated. The International Military Tribunal found that:

> "Schacht, as early as 1936, began to advocate a limitation of the rearmament program for financial reasons. Had the policies advocated by him been put into effect, Germany would not have been prepared for a general European war."[2]

As between Goering and Schacht, and on the issues at stake between them, there was no question where Farben stood. Despite Schacht's position as Plenipotentiary General for War Economy, the contracts between Farben and Schacht had been conspicuously few. On the other hand, Farben's relationships with Goering's Air Ministry and with his deputy, Milch, began immediately after the seizure of power, and steadily grew closer. For years Farben had been staking its future on synthetic products, particularly gasoline and rubber, and Goering, ebullient, optimistic, and extravagant, was the great protagonist of "a greatly expanded program for the production of synthetic raw materials, which was opposed by Schacht."[3]

It was no coincidence that Farben's contract of 1933 for synthetic gasoline was arranged through the Air Ministry after discussions with Milch. It was no coincidence that, when the same problem presented itself in the case of synthetic rubber in 1935, Farben did not go to Schacht who, whatever his faults, was no fool, and whose shrewdness was acknowledged among industrialists and financiers, not only in Germany but internationally. Instead, they did go to Keppler, a fly-by-night Nazi economist, with little practical experience, who had Hitler's ear at the time but who soon drifted off into shady diplomatic maneuverings. And finally, it was no coincidence that the negotiations for the synthetic rubber contract in 1935 were contemporaneous with the exchange of visits between Farben and the Air Ministry, upon which Goering, through Milch, expressed himself so benevolently.

In his new capacity as Coordinator for Raw Materials and Foreign Exchange, Goering called a meeting, on 26 May 1936, of his principal advisers on raw materials questions. The defend-

[1] Judgment of the International Military Tribunal, *Trial of the Major War Criminals*, vol. I, pp. 307–08.
[2] Ibid., page 309.
[3] Ibid., page 307.

ant Schmitz attended this meeting, together with representatives of the Ministries of War and Air, and other high government officials. Supply questions vital to "A-Fall" (the code name for "Case of War") were discussed. Goering emphasized that, once at war, Germany would be cut off from all oil imports; that since a mechanized army and navy was dependent upon oil, the waging of war hinged entirely on the solution of the oil problem. Goering also declared that "rubber is our weakest point." Every subject, including oil and rubber, was discussed at the meeting in the light of military requirements for waging war.

On 8 September 1936, at the Nazi Party Rally in Nuernburg, Hitler announced the establishment of the Four Year Plan and the appointment of Goering as the Plenipotentiary in charge, with the task of putting "the entire economy in a state of readiness for war" in four years.[1] The Office of the Four Year Plan was charged with working out complete programs for the development of plant capacity in all fields vital to war mobilization, including chemicals, rubber, gasoline, and explosives. In a memorandum to Goering explaining the objectives of the Four Year Plan, Hitler stated that the final solution of Germany's problem lay in the acquisition of new territories; that such acquisition was the task of "the political leadership"; that in order for "the political leadership" to exercise its responsibilities, the German economy had to be mobilized for the purpose of making Germany self-sufficient in critical war materials.

It was the voice of Hitler but the task of Farben. For the first six months period, from October 1936 to May 1937, the projects of the Four Year Plan envisaged investments of nearly one billion reichsmarks, chiefly in power installations, mineral oils, iron and other metals, textiles, chemicals, and explosives.[2] Approximately two-thirds of this entire amount was to be used for I.G. Farbenindustrie products. From these figures, it is easy to see how large a stake Farben had in the Four Year Plan, which Goering, over Schacht's objections, persuaded Hitler to adopt. It is equally easy to see how completely dependent Hitler and Goering were on Farben in the accomplishment of the Four Year Plan.

Shortly after the establishment of the Office of the Four Year Plan, and with full realization of the nature and purposes of that Office, as is apparent from the aforegoing speeches and meetings, Carl Bosch recommended to Goering that he retain the defendant Krauch to advise in the planning and control of the chemical sector of the rearmament program. Krauch was appointed Chief

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[1] Ibid., page 308.

[2] "Projects of General Planning," published by the Office for German Raw Materials and Synthetics, dated 27 May 1937.

of the Department for Research and Development in the Office of the Four Year Plan, the department responsible for making Germany self-sufficient for war.

Truly, there was no longer any doubt; Germany was heading for war at express train speed. In December 1936, in Hitler's presence, Goering made a speech in the Preussenhaus in Berlin in which he explained to a large audience of government officials and industrialists the aims of the Four Year Plan. Bosch and the defendants Krauch and von Schnitzler were present. Goering made clear the intention and decision of the Nazi government to wage war: "The struggle which we are approaching demands a colossal measure of productive ability. No end of the rearmament is in sight. The only thing that matters in this case is victory or destruction. If we win, industry will be sufficiently compensated." He ended his speech as follows:

> "Our whole nation is at stake. We live in a time when the final battle is in sight. We are already on the threshold of mobilization and are at war, only the guns are not yet being fired."*

A few days later, von Schnitzler made a confidential report to the responsible officials of Farben on Hitler's and Goering's speeches "regarding the responsibilities of the German economy in the application of the Four Year Plan."

(Recess)

MR. SPRECHER: Symbolically enough, Farben's first plant for the large-scale production of synthetic rubber was built in 1936 at Schkopau. The annual capacity was seventy thousand tons, and the total investment over four hundred million marks.

Security requirements, already stringent, were drawn even tighter. Farben plant managers had to obtain prior approval for all visits by foreigners wishing to inspect anything pertaining to "armament manufacture." How clearly these security requirements foreshadowed war is illustrated by a directive issued by Vermittlungsstelle W in December 1936, relating to war materials, explosives, chemical warfare material, fuels and lubricants of special types, and other strategic products. The directive stated:

"Secrecy in connection with new methods in the above mentioned fields is necessary in every case where these new processes either result in completely new, heretofore unknown, materials, or whenever the quality of materials already known can be considerably improved. Furthermore, secrecy may be mandatory for a new process if, in case of war, the power of economic self-

* Document NI-051, Prosecution Exhibit 421, reproduced below in section VII F 2.

sufficiency of a potential enemy were thereby considerably increased; for instance, if in the country concerned the shortage of raw materials needed for the production of war-essential products would be removed by the new process."*

Farben's outposts abroad became increasingly a network for propaganda and espionage. In 1936, the defendant Ilgner made an extended tour of inspection of the Farben organizations in Latin America, and reorganized the work of Farben's Verbindungsmaenner (liaison men). From then on, they were to submit monthly reports pertaining to economic, political, and military matters. All reports "and interesting information" received from abroad were given to the Wehrwirtschaftsstab (Military Economics Staff), the OKW/Abwehr (Intelligence Division of the Wehrmacht), and the Auslandsorganisation (Foreign Organization of the NSDAP). These reports included political commentaries covering the composition of new governments, the effects of the Proclaimed List and the British Black List, political reactions within the respective countries to current events, pro-Axis and anti-Axis propaganda, the purpose of special diplomatic missions, and changes with respect to diplomatic representatives. Matters of military interest contained in these reports included additions to the merchant navies in various Latin American countries, reporting of ship movements, statistics of tonnage in ports, construction of new highways and bridges, and shipments of war materials to the United States and Great Britain.

1936 was indeed a fateful year. According to the defendant von Schnitzler:

> "* * * with the increased tempo after 1936, the Wehrmacht became the predominant factor in the whole picture. After 1934, a strong movement for investments in our plants for commodities of decisive military importance became more and more pronounced, with the main objective of increasing the military potential of Germany. At first autarchic principles to make Germany independent of importation from abroad were the leading objectives. After 1936, the movement took on an entirely military character and military reasons stood in the foreground. Hand in hand with this, the relations between IG and the Wehrmacht became more and more intimate and a continuous union between IG officials on the one side and the Wehrmacht representatives on the other side was the consequence of it."

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* Document EC–223, Prosecution Exhibit 144, reproduced below in section VII L 2.

For German industry, 1937 was the year of mobilization plans. The Vermittlungsstelle W was the channel between Farben and the Ministries of War and Economics for the preparation of mobilization plans at Farben plants. For example, the defendant Kuehne conducted so-called "tactical exercises" at his Leverkusen plant, following which the Vermittlungsstelle W wrote him:

> "In connection with the tactical exercises, we had already discussed with you the formulation of plans for Leverkusen which are being commenced. In preparation for this, we should very much like to receive a list in which the individual departments of Leverkusen are listed and clearly designated. This list should differentiate between the following three sections:
>
> "(1) Plants which must be on a full production basis in A-Fall. [Case of War.]
>
> "(2) Plants (intermediates and final processing) which will only operate on a limited scale.
>
> "(3) Plants for which it can already be determined that they will not run during the war."*

The Vermittlungsstelle W continued throughout the year to coordinate the plans for conversion of the various plants to a war economy. These plans covered such questions as to which processes and products, useful only in peacetime, could be dispensed with under the stress of war, which would have to be rapidly expanded, and how to meet the problems presented by the drafting of employees into military service. By the middle of the year, the majority of the Farben plants had been fully advised by the Vermittlungsstelle W as to the nature and aims of the mobilization tasks to be carried out. Arrangements were under way to furnish the plants with the necessary personnel and materials to carry out the mobilization plans.

The mobilization of the German economy was symbolized by a ritual which gave the principal German industrialists semi-military status, though they wore no uniform. In March, various high ranking Farben officials were informed by letter (*Doc. NI–4623, Pros. Ex. 491*) that the Reich Minister of War and Commander in Chief of the Wehrmacht (von Blomberg) had ordered that:

> "* * * a leadership corps for military economy be set up immediately. The war economy leaders shall be responsible collaborators of the Wehrmacht in preparing and carrying out the

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* Document NI–4628, Prosecution Exhibit 186, a letter signed von Bruening, dated 29 January 1937, is not reproduced herein.

mobilization of the armament industry and in the conduct of war. Their significance, their tasks, and duties in connection with armament economy, places them in a position corresponding approximately to that of reserve officers on active duty."

The authority and functions of the "war economy leaders" (Wehrwirtschaftsfuehrer) were described by General Warlimont, of the Military Economics Staff of the Wehrmacht, in part as follows:*

A. In peacetime:

"1. to adjust, to the greatest possible extent, the armaments factories to eventual mobilization needs, especially to give assistance in the preparations to meet their work schedule;

"2. to do the compulsory drill which would train and give them experience in the duties provided for them when mobilization takes place;

* * * * *

"5. to prepare for, and carry out, the necessary measures to protect the factory during an air raid and to train employees in their tasks during an air raid;

"6. to prepare and administer security measures within the factory.

"B. In wartime:

"1. to convert existing armament factories, and to organize new armament factories for wartime manufacture, in accordance with the mobilization schedule of the factory;

"2. to manage the factory so as to safeguard the interests of national defense;

"3. to strengthen the War Economic Offices and the staffs of the Wehrmacht."

The defendants Krauch and Schmitz were appointed Military Economy Leaders [Wehrwirtschaftsfuehrer] in 1938, and subsequently von Schnitzler, Gajewski, ter Meer, Ambros, Buergin, Buetefisch, Ilgner, Jaehne, Lautenschlaeger, and Wurster were designated.

In 1937, Farben's activities in the munitions field were intensified. Farben's Bitterfeld plant was busy with the "technological development of the modern electron thermite incendiary bomb." The Army was worried about "A great shortage in glycerine supplies," and Farben constructed a secret "standby" plant for the production of diglycol at Wolfen. When another chemical firm

* Document NI-3512, Prosecution Exhibit 490, is a 12-page deposition which sets forth in detail the authority and functions of the Wehrwirtschaftsfuehrer. It is not reproduced herein.

made inquiries with respect to this secret plant, Farben replied that it "was originally planned merely as a standby plant in case of war," and that "we are bound to strictest secrecy and would need official approval" in order to discuss the matter with other chemical firms.

In September 1937, Farben's newly born Commercial Committee reemphasized Farben's political outlook. The Committee agreed that:

> "Under no circumstance should anybody be assigned to I.G. Farben agencies abroad who is not a member of the German Labor Front and whose positive attitude to the new era has not been established beyond any doubt. Gentlemen who are sent abroad should be made to realize that it is their special duty to represent National Socialist Germany. They are particularly reminded that as soon as they arrive they are to contact the local or regional group of Germans abroad and are expected to attend regularly their meetings as well as those of the Labor Front."*

In the summer of 1937, the defendant Krauch, with other high government officials, met in Goering's office to discuss the scarcity of iron and steel. Goering stated:

> "At a time like this, we cannot export one-third of our total iron production * * *. On a ton of semimanufactured goods we sell abroad, we realize just about 100 marks in foreign exchange. On the other hand, if we take a ton of iron and use it up in construction plants of the Four Year Plan, then in most cases I have found the saving in foreign exchange to be four or five times, even six or ten times as great * * *. The Four Year Plan will do its share to create a foundation upon which preparation for war may be accelerated * * *. In the Wehrmacht, those undertakings must receive first consideration which manufacture materials requiring a long period of construction. Warships by all means must get their supply of iron. Guns for battleships and other big guns fall in the same class * * *. We cannot give southeastern Europe any more semimanufactured goods for their wheat * * *. Without compelling economic or political reasons, I shall not export any more semimanufactured goods * * *. The export [of iron and steel] may easily lead to the facilitation of the armament of the enemy. I am thinking, for instance, of heavy plates which are needed abroad by the armament industry."

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* Document NI-4959, Prosecution Exhibit 363, reproduced below in section VII C 4.

The response, by a representative of the iron and steel industry, reflected the tense atmosphere of the meeting:

> "In regard to the shipment of iron to the so-called enemy countries like England, France, Belgium, Russia, and Czechoslovakia, only six percent of our export goes there. That does not help the British to keep up their armament."[1]

The reference to the "so-called enemy countries" was no empty figure of speech. The weapons of war were being forged with terrifying rapidity, and the moment for their use was close at hand. Late in November, Hitler summoned his Foreign Ministers and the four Chiefs of the Wehrmacht, including Hermann Goering, the Commander in Chief of the Luftwaffe. What was said is set forth at length in the judgment of the International Military Tribunal.[2] Hitler announced his "irrevocable decision to solve the German living space [Lebensraum] problem," and indicated that the first steps would be the conquest of Austria and Czechoslovakia. Thereafter, as the International Military Tribunal found, "This decision to seize Austria and Czechoslovakia was discussed in some detail; the action was to be taken as soon as a favorable opportunity presented itself." Such an opportunity was found within four months in the case of Austria, and ten months for Czechoslovakia. The shadow of the Third Reich was darkening; the German war machine, built by Farben and other German industrialists and assembled by the Wehrmacht, was about to be set in motion.

C. Plans, Preparations, Initiation of Invasions, and Initiation and Waging of Aggressive Wars

As we approach the time of arms and conquest, it will be useful to take a close look at Farben's position in the Third Reich. We have seen the defendants establish relations with Hitler in 1932, help him to power in 1933, and bend their energies to the armament program. The documents have shown their great success in winning the support of Goering and other high officials, and the enviable position they attained through the decline of Schacht's power and the adoption of the Four Year Plan.

But it must not be overlooked that, on matters not clearly covered by the platform, there were many shades of opinion in the Nazi Party. This was true among both the leaders and the rank and file. The Party had won many recruits from those

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[1] Document NI-084 Prosecution Exhibit 432, a memorandum dated 16 June 1937, is not reproduced herein.

[2] See *Trial of the Major War Criminals*, volume I, pages 189–192.

who had no use for capitalists and big corporations. Within this so-called "radical wing" of the Party, the terms "capitalist" and "Jew" were often coupled. And the Nazi Party press often gave expression—sometimes very emphatically—to such views.

This Nazi form of anticapitalism was a continuing source of concern to the defendants. It was not very prevalent among the men with whom they had chiefly dealt, such as Goering, Milch, and the Wehrmacht officers. But new situations arose, beginning in 1938, as the result of territorial expansion. There were valuable chemical and other properties in the countries about to be occupied, and Farben had its own private war to wage for the acquisition of those properties and the aggrandizement of the Farben empire. From the owners of these concerns, Farben had little to fear, but it was bound to face competition and opposition from other powers in Germany. Voices were bound to be heard in opposition to the "claims" of big corporations like Farben, and on behalf of state ownership, or of other claimants. In this respect, Farben learned much and quickly from the occupation of Austria.

1938

As the course of conquest unfolds, so will the tactics adopted by Farben to meet these new problems. In 1938, the defendants had already become acutely conscious of the need for "acceptance" of Farben, despite its size and wealth, on a broader basis within the Nazi Party. On 31 July, an article on Farben appeared in the official Nazi organ, the Voelkischer Beobachter. It was written by Dr. Fritz Nonnenbruch, the chief editor, and its contents illustrated, at one and the same time, the vital role of Farben in the German war economy and the overtones of hostility in certain Party circles which Farben was seeking to overcome. It read, in part:

> "Chemistry, in these years, is exerting an influence on national production to an extent which, in spite of the importance which the chemical industry already had previously, could not have been foreseen. What the chemical industry is today is evident from the fact that it, above all, has succeeded in securing national independence with regard to raw materials; an accomplishment which, previously, had frequently been considered impossible. One of the piers of the bridge across this "impossible" is I.G. Farben. One could judge this enterprise as one wished and in a manner which formerly was perhaps justified; now this enterprise is a bastion in Germany's struggle for independence with regard to raw materials.

"It is sufficient to quote the terms 'synthetic gasoline' and 'synthetic rubber'. The value of these two processes alone to German national economy cannot be expressed in terms of money, any more than the price of a glass of water to a person who needs this water urgently for the preservation of his life. The fact that we have synthetic gasoline and synthetic rubber not only enriches our production, but it is more, it is a contribution to the safeguarding of our liberty. Synthetic gasoline and synthetic rubber are not the only products the I.G. Farben has given us, following the supply in former years of synthetic nitrogen to the German nation by the plants of this enterprise * * *.

* * * * * * *

"It is important, however, that I.G. Farben, had it not been the major combine that it is, would not have been able to develop its chemical processes. What could we have done during the World War without artificial nitrogen? What would we do now without synthetic gasoline and synthetic rubber? And how restricted would be our hopes if we had not positive knowledge of new synthetic processes which will follow? These achievements confirm the necessity of major combines."[1]

Even more interesting is the letter under cover of which a copy of this article was forwarded to the defendant von Schnitzler. In the letter, the author commented that: "It is the first time that, out of this political atmosphere, the fundamental question of the rights of large combines such as I.G. Farben has been dealt with in such a positive manner." The writer further commented that the article was written "after Dr. Nonnenbruch had visited Leverkusen" and "after personal relations between him and myself had been improved at every available opportunity." The writer of the letter [Mario Passarge] was chief of the press section of Farben's NW 7 office, and an immediate subordinate of the defendant Ilgner. The defendants were resourceful men.

1. Invasion and Occupation of Austria

On 12 March 1938, Germany invaded Austria. This move was, as the International Military Tribunal found, a "premeditated aggressive step,"[2] but its timing was not planned in advance. On the contrary it was precipitated, unexpectedly even to Hitler, by Schuschnigg's announcement on 9 March that there would be a plebiscite on the question of Austrian independence. For years Farben had coveted—and coveted in vain—Austria's

[1] Document NI-1184, Prosecution Exhibit 11, reproduced below in section VII C 4.

[2] Judgment of the International Military Tribunal, *Trial of the Major War Criminals*, volume I, page 192.

biggest chemical enterprise, the gunpowder factory Skodawerke-Wetzler A.G., the majority interest in which was firmly held by one of Austria's principal banks, the Oesterreichische Creditanstalt. Farben had contacted the general manager of Skodawerke-Wetzler A.G., Mr. Pollak, and had also sounded out the leading man of the Creditanstalt. But in spite of the pressure under which Austria was living after the murder of Dollfuss, and in spite of the fact that Pollak was a Jew and had good reason to be apprehensive, all the attempts Farben had made to acquire the Skodawerke-Wetzler A.G. met with failure. As late as January 1938, Pollak wrote to a Farben Vorstand member that "for reasons over which we have no control, it is not possible for us to depart from our standpoint that it is absolutely essential for the Creditansalt to keep 51 percent of the shares (of Skodawerke-Wetzler A.G.) in its strict control * * *"[1]

A month later, the invasion of Austria presented Farben with its golden opportunity. Goering promptly gave directions for the extension of the Four Year Plan to Austria, and Farben equally promptly expressed its willingness to "participate in the reconstruction of Austria" and "placed its cooperation at the disposal of the authorities." As early as 9 April, Farben had prepared recommendations entitled the "New Order of the Major Chemical Industries of Austria," which was signed by the defendants Haefliger and Kugler. This document was distributed to, among others, Hitler's former economic advisor, Wilhelm Keppler, with whom Farben had had dealings on synthetic rubber matters, and who, by now, was a high official of the German Foreign Office in Vienna. So bold was Farben's demand that the Austrian chemical industries be allocated lock, stock, and barrel to Farben, that Keppler's first reaction was to inquire sarcastically "whether the IG was intending to swallow the whole of the Austrian chemical industry."

But Farben's tactics were much more varied and far less delectable. Whatever appealed to the Nazi mind was shamelessly used as an inducement. In its reports to the German Government, Farben repeatedly pointed to the fact that there were many Jews in the Austrian chemical industry who should be replaced by people of Aryan lineage, particularly by Farben people. At a meeting of Farben's Commercial Committee in June 1938,[2] it was agreed that:

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[1] Document NI-7388, Prosecution Exhibit 1060, dated 5 January 1938, not reproduced herein.

[2] Document NI-9289, Prosecution Exhibit 1069, contains the minutes of meetings of Farben's Commercial Committee from August 1937 to December 1944. This document is partially reproduced below in section VII N 2, but the above quotation, from the minutes of an "Extraordinary" meeting on 23 March 1938, is not reproduced herein. Counsel errs in giving the date as June 1938.

"In order to safeguard uniform Farben interests, all non-Aryans employed by the Austrian organizations, in accordance with the directives issued by Geheimrat Schmitz, should be given leave of absence, i.e., should be dismissed at the earliest possible date. Likewise, the members of Aufsichtsrats and Verwaltungsrats, insofar as they are non-Aryans, are to be asked to give up their mandates."

And in the "New Order" report of Haefliger and Kugler, anti-Semitism was neatly coupled with the familiar appeal to the necessities of the Four Year Plan, and the two were advanced as the reasons why Farben's proposals should be brought "to a speedy conclusion":

"*a.* The leading officials, it is true, have been in the meantime replaced by Aryans. The equally necessary reorganization of personnel in subordinate positions can be completed appropriately and with a long-range view only when a clear picture of the future situation exists.

* * * * * * *

"*c.* The groundwork should be laid immediately to prepare assignments to be carried out by the chemical industry of Austria within the framework of the Four Year Plan."*

By such tactics, and after intervention by a number of Farben directors, including the defendants Ilgner, Kugler, Haefliger, and Gattineau, with Nazi bigwigs such as Seyss-Inquart and Keppler, Farben carried the day. Farben's contacts with the Nazi leaders in Austria were greatly aided by the fact that Farben had given a timely retainer to a notorious Austrian Nazi, Dr. Neubacher, who was personally appointed Mayor of Vienna by Goering soon after the "Anschluss" and who proved extremely helpful to Farben's Austrian activities. Pollak, the Jewish manager of the Skodawerke-Wetzler, called in the Farben representative in Vienna and surrendered his desk. The Creditanstalt bowed to force. The Skodawerke became part of the Farben empire.

This acquisition was but one step in Farben's subjugation of Austria's chemical industry. Others were to follow in which similar tactics were employed. The full story of Farben's industrial plunder in Austria will be set forth when the prosecution presents its evidence under count two of the indictment.

But while the acts which we have just described constitute a separate crime under count two of the indictment, they are equally criminal under count one, and the charges with respect to plunder and spoliation are incorporated in count one by virtue

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* Document NI-4024, Prosecution Exhibit 1040, reproduced below in section VII N 2.

of paragraph 84 of the indictment. These acts were an intrinsic part of the invasion of Austria, and the invasion clearly constituted a "crime against peace" within the meaning of Control Council Law No. 10. And the occupation of Austria, including the conversion of Austrian industry in conformity with the needs of the Four Year Plan, was part of Germany's preparation for the aggressive wars which were to be launched in the near future. In the conversion of the Austrian chemical industry, Farben, of course, played the leading role.

2. More preparations

1938 witnessed an intensified development of the industrial mobilization plans which had been prepared at all Farben plants the previous year. In May 1938, a conference of all Farben's war plant managers was called by the Vermittlungsstelle W to perfect the mobilization plans and to discuss personnel problems which would arise "in case of mobilization" and the calling of all able-bodied men in the Third Reich for military service. The minutes of this conference were distributed to the army officials and heads of draft boards in the various military districts. Throughout the entire year, in every important committee of I.G. Farben, including the Technical Committee, the Commercial Committee, and the Dyestuffs and Chemicals Committees, "Mob-plans were intensively discussed with a view to perfecting them for immediate execution upon the outbreak of war."

In the summer of 1938, with the invasion of Czechoslovakia imminent, Farben took the initiative in reorganizing the chemical program outlined by the Four Year Plan in line with the requirements for waging war. Goering took measures to speed up the program for chemical warfare and explosives after the defendant Krauch had pointed out to him that the figures being relied on by Goering in preparation for war were incorrect, and the danger of making war plans on an inaccurate basis. On 12 July 1938, Krauch and Goering worked out the so-called "Karinhall Plan" (also called the "Krauch Plan"), which contained a new program for chemical warfare agents (poison gas), explosives, rubber, and gasoline. The administrative basis of the plan had been prepared by the defendant Ambros a few days prior thereto. Thereafter, Krauch was appointed by Goering as Plenipotentiary General of the Four Year Plan for Special Questions of Chemical Production, and was vested with the administrative powers suggested by Ambros. With the assistance of key technical men of Farben, Krauch prepared special mobilization plans for the chemical industry, including an allocation and priority system for labor and building materials.

In the summer of 1938, Farben's war activities became almost frenzied. Additional "War Deliveries Contracts" were concluded with the Wehrmacht. All of these contracts specified the amount and terms of deliveries which would be undertaken by Farben "in the event of mobilization." The problem of storage facilities for future deliveries was investigated by Vermittlungsstelle W. The Army Ordnance Office ordered the Vermittlungsstelle to increase production capacity at the Wolfen plant "to the greatest capacity possible at the present time." Leverkusen shipped out numerous cases of war gases.

In July, with the international situation growing tenser, the Reich Air Ministry became alarmed because Farben's output of tetraethyl-lead, essential in the manufacture of high octane aviation gasoline, was not being produced in sufficient quantities for war purposes. Farben was producing sufficient tetraethyl-lead for Germany's peace needs and was expanding its plant to meet war requirements, but the danger of immediate war was thought great enough so that the Air Ministry urgently requested Farben to obtain from abroad and store five hundred tons of tetraethyl-lead to tide the Luftwaffe over until Farben's plant could make up the deficiency.

A member of the Farben Technical Committee, Mueller-Cunradi, immediately got in touch with the London representative of the Ethyl Export Corporation, an American concern. Farben arranged to "borrow" five hundred tons of tetraethyl-lead, and agreed to return it to the Ethyl Export Corporation by the end of 1939. The loan was secured by the deposit of approximately one million dollars as collateral. Farben explained to the Ethyl Export Corporation that—

> "The addition of tetraethyl-lead to automobile gasoline depends on a sufficient reserve of tetraethyl-lead in Germany."*

Having secured the lead by this misrepresentation, Farben, of course, failed to return it at the end of 1939, and the collateral was forfeited.

With the approach of the Munich crisis, matters reached such a pitch that it was impossible for Farben officials, or indeed any other responsible officials or industrialists, to believe that the enormous production of armaments, reaching unbelievable proportions in 1938, could have any other meaning but that the Third Reich intended to wage war. It was quite impossible to believe that such enormous armaments were for defensive purposes. Immediately prior to the Munich conference of September

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* Document NI-4922, Prosecution Exhibit 732, contains several items of correspondence relating to this matter and is partially reproduced below in section VII I 2.

1938, and in order to prevent the seizure of Farben's foreign assets, special procedures were worked out by Farben, in consultation with government officials, authorizing Farben to camouflage or "cloak" its foreign assets through transfers to neutral trustees.

3. Invasion and occupation of the Sudentenland

During the seizure of Austria, it was Germany's policy to quiet the understandable fears of Czechoslovakia with soothing words. Goering and other Nazi officials repeatedly assured the Czech representatives that their country had no reason to be apprehensive. But late in March, Conrad Henlein, leader of the Sudeten German party in Czechoslovakia, met with Hitler in Berlin, and thereafter conferences between Hitler and his military leaders culminated, late in May, in a secret order to prepare for military action against the Czechs by 1 October 1938. As the International Military Tribunal found: "These facts demonstrate that the occupation of Czechoslovakia had been planned in detail long before the Munich conference."[1]

Farben was keenly alive to the prospect of annexation of the Sudetenland, and immediately "tackled the problem of what would happen if Sudeten-Czechoslovakia, and therewith the plants Aussig, Falkenau, and possibly Bruschau, should be incorporated into Germany." The Aussig and Falkenau plants, both located in the Sudentenland, belonged to the largest chemical concern in Czechoslovakia, the Prager Verein, which was in sharp competition with Farben, particularly in southeastern Europe. As early as 2 April, the defendant Haefliger sounded out Keppler with respect to acquiring the Aussig plant, and reported: "Evidently he is very much interested in the idea."

On 23 May 1938, four months before the invasion of Czechoslovakia and one week before Hitler's secret order to prepare for military action, a conference took place at Farben's Berlin NW 7 office, attended by the defendant Kugler. The conferees discussed the elimination of the only two persons of non-Aryan descent in Farben's sales agencies in Prague, and the dismissal of Czech nationals from executive positions. The meeting decided that[2]:

> "Our aim should be to prevent authorized sellers of IG products abroad from having to be in any way dependent upon Jewish banks, since we would otherwise be branded with the stigma of cooperating with Jewish firms. Furthermore, such

[1] Judgment of the International Military Tribunal, *Trial of the Major War Criminals*, volume I, page 196.

[2] Document NI-6221, Prosecution Exhibit 833, minutes of the conference of 23 May 1938, partially reproduced below in section VII O 5.

conditions of ownership could possibly deprive us of the liberty of directing our agencies at will, as our experience in Austria has shown, if such Jewish banks should come under the direction of trustees [Kommissare] appointed by the Government."

The meeting also deemed it expedient "to begin immediately and with the greatest possible speed to employ Sudeten Germans for the purpose of training them with IG in order to build up reserves to be employed later in Czechoslovakia."

In July 1938, a report on the chemical industries of Czechoslovakia was prepared for the Commercial Committee of Farben, and thereafter Farben initiated discussions with the interested German authorities and recommended that its representatives be appointed Kommissare to take over the operation and management of the chemical industries of the Sudetenland and to integrate their production to the Four Year Plan. The more German pressure against Czechoslovakia increased, the more urgent became Farben's attempts to convince the Government that as soon as the Sudetenland was annexed by Germany, it was Farben which should manage the plants. On 23 September 1938, the defendant Kuehne was pleased to learn from ter Meer and von Schnitzler "the pleasant news that you have succeeded in making the competent authorities appreciate our interest in Aussig, and that you have already suggested Kommissare to the authorities, viz., Dr. Wurster and Kugler."

Again, on 29 September 1938, the day that the Munich Pact was signed, the defendant von Schnitzler reported on a meeting with Keppler:

> "The negotiations have been successful insofar as all parties acknowledge that as soon as the German Sudetenland comes under German jurisdiction, all the works situated in this zone and belonging to the Aussig Union, irrespective of the future settlement of accounts with the head office in Prague, must be managed by trustees 'for account of whom it may concern' " (*Doc. NI–3722, Pros Ex. 1045*).

The defendant Kugler (together with a Sudeten German engineer) was appointed "Kommissar for the maintenance of the plants." The next day, the defendant Schmitz wired Hitler that he was "profoundly impressed by the return of Sudeten-Germany to the Reich, which you, my Fuehrer, have achieved," and that Farben "puts an amount of half a million reichsmarks at your disposal for use in the Sudeten-German territory." On 1 October, German troops entered the Sudetenland. On 3 October, Falkenau was occupied, and on 9 October, Aussig. After various forms

of duress had been applied by German officials, at the instigation of Farben, to force the Prager Verein, against its will, to "sell" its Sudeten plants, formal "negotiations" started at a meeting in Berlin in November at which the defendants Schmitz, von Schnitzler, Ilgner, Kuehne, and Kugler were present. A series of conferences culminated in a meeting in December at which the defendant von Schnitzler presided. He told the representatives of the Prager Verein that he knew that they were trying to sabotage the deal and that he was, therefore, going to report to the German Government that, because of the attitude of the Prager Verein, social peace in the Sudeten area was being menaced, that unrest could be expected at any moment, and [he warned] that the responsibility would fall upon the Prager Verein. The representatives of the Prager Verein thereupon sought advice from the Czechoslovakian Government and were advised to do the best they could. The next day the agreement for the sale of the property was signed.

The defendants had good reason to conduct these "negotiations" with arrogant confidence. Hitler had been able to prevail at Munich on the basis of solemn public assurances that, after the Sudeten problem was solved, "There will be no more territorial problems for Germany in Europe * * *. I will no longer be interested in the Czech State, and as far as I am concerned I will guarantee it. We don't want any Czechs."[1] These assurances prompted Chamberlain's hope for "peace in our time."

But the defendants knew better and every responsible official in Germany knew better. On 21 October, another secret directive from Hitler to the armed forces specified, as one of the tasks for which the Wehrmacht must be prepared, the "liquidation of the remainder of Czechoslovakia."[2] One week earlier, Goering called a conference of important government officials, at which the defendant Krauch was present. Goering announced that Hitler had ordered him "to carry out a gigantic program compared to which previous achievements are insignificant." He stated that within the shortest possible time "the Air Force [Luftflotte] is to be increased fivefold," that naval armament should be expedited, and that "the Army should procure large amounts of defensive weapons at the fastest rate, particularly heavy artillery pieces and heavy tanks." The notes of this conference also state:

> "The Sudetenland has to be exploited with all means. Field Marshal Goering counts upon a complete economic assimilation of the Slovaks. Czechs and Slovaks would become German

[1] Judgment of the International Military Tribunal, *Trial of the Major War Criminals*, volume I, page 197.

[2] Ibid.

dominions. Everything at all possible must be taken out * * *. Searches for oil and ore in Slovakia are to be undertaken by State Secretary Keppler."*

The defendant Krauch may tell us that he did not believe what he heard. But the brow-beating of the Czech businessmen by the defendants, which occurred during those same weeks, is a more reliable guide to the Farben attitude. And by March of the following year, the march of events amply confirmed Goering's words.

The Chief of Counsel will now continue.

1939 and After

GENERAL TAYLOR: As the decisive year of 1939 began, Hjalmar Schacht made a last bid to revive his influence in the Third Reich. He had been replaced by Goering as the central figure in the armament effort in 1937, and in that year had resigned both from his position as Acting Minister of Economics and as Plenipotentiary General for War Economy. But he had stayed on as president of the Reichsbank, which continued to function as the financial agent of the Reich in floating loans to finance Goering's armament program. At the end of 1938, with the Reich treasury nearly empty, Schacht seized upon the issue presented by the fiscal crisis, and in January 1939, both orally and in a report signed by the directors of the Reichsbank, he urged drastic curtailment of armament expenditures in order to balance the budget and prevent inflation. Hitler's answer was to dismiss Schacht as president of the Reichsbank. Schacht retained the empty title of Reich Minister without Portfolio until 1943, but he had lost all influence with the Nazis, and ceased to play any effective part in government affairs.

In fact, events were moving rapidly in the opposite direction. In the middle of March 1939, broken by Goering's threat to destroy Prague from the air, the Czech President signed the agreement for the occupation of Bohemia and Moravia by German troops. These two provinces became a protectorate of the Reich, and Slovakia a minor "satellite" power. The conquest of all of Czechoslovakia opened up new fields of industrial plunder for Farben, which were promptly exploited by the defendants.

Farben's mobilization for war was by now virtually complete. A report written by the defendant von Knieriem in June 1939 and circulated to most of the defendants reads:

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* Document 1301–PS, offered in evidence in the Farben case as Prosecution Exhibit 401, was also introduced in the Ministries case as Prosecution Exhibit 971, and is partially reproduced in section VI B, volume XII, this series.

"While three or four years ago, only isolated sections within IG were engaged in work concerning Wehrmacht problems, at present there is experimental work in progress in almost all major IG plants which is being carried on either directly at the order of the Wehrmacht, or in which the Wehrmacht is taking an active part, either due to the particular nature of the problems in question or through providing experts to participate in the work."

In February 1939, Wehrmacht officers from the Ordnance Office made an extended inspection tour of Farben's explosives plants. A new production plan for explosives, known as the "Rapid Plan," was developed, so that the more important explosives products were given production priority, and other changes were made to meet the needs of the emergency. The same month, a general conference of the mobilization managers of the larger Farben plants was called, and in the spring the final mobilization plans were approved by the Reich Group for Chemistry.

In March, the defendant von Knieriem and his Legal Committee recommended that drastic measures be taken to plan the camouflage of Farben's foreign holdings in order to protect them from seizure by the enemy. These measures not only served the interests of Farben, but enabled its foreign empire to promote the government's foreign activities. The Committee's report (*Doc. NI–2796, Pros. Ex. 1020*), which was circulated to the defendants von Schnitzler, ter Meer, and others, stated:

"* * * the risk of seizure of the sales organizations in the event of war is minimized if the holders of shares of similar interests are neutrals residing in neutral countries. Such a distribution of holdings of shares or other interests has the further advantage of forestalling any conflicts troubling the conscience of an enemy national who will inevitably be caught between his patriotic feelings and his loyalty to IG. A further advantage is that the neutral, in case of war, generally retains his freedom of movement, while enemy nationals are frequently called into the service of their country, in various capacities, and, therefore, can no longer take care of business matters.

"Nevertheless, it is obvious that transfers of shares or similar interests in our sales companies to neutrals residing in neutral countries cannot be handled uniformly in all cases and without consideration of other aspects. To mention just two of these, an accumulation of such shareholdings in the few countries that will presumably remain neutral would arouse suspicion, and the number of trustworthy persons who can be considered as suitable holders of such shares or similar

interests is limited. In addition, it is necessary that protective measures to be taken by IG for the eventuality of war should not substantially interfere with the conduct of business in normal times. For a variety of reasons it is of the greatest importance, for the normal conduct of business, that the officials heading the agent firms who are particularly well qualified to serve as cloaks should be citizens of the countries wherein they reside."

1. The invasion and occupation of Poland

On 23 May 1939, Hitler called a meeting of the leaders of the Wehrmacht. Goering was present as Commander in Chief of the Luftwaffe, and the group also included Milch and other high ranking officers from the Luftwaffe and Air Ministry, with which Farben had dealt so closely. The military leaders heard Hitler say, among other things:

"A mass of 80,000,000 people have solved the ideological problems. So, too, must the economic problems be solved * * *. This is impossible without invasion of foreign states or attacks upon foreign property * * *. Further successes cannot be obtained without the shedding of blood. Danzig is not the subject of the dispute at all. It is a question of expanding our living space in the East and of securing our food supplies, of a settlement of the Baltic problem * * *. The population of non-German areas will perform no military service, but will be available as a source of labor * * *. There is, therefore, no question of sparing Poland, and we are left with the decision *to attack Poland at the first suitable opportunity.* We cannot expect a repetition of the Czechoslovakian affair. There will be war * * *."*

Hitler's decision can hardly have come as a surprise to any of those present. The occupation of Austria, the Sudetenland crisis, and the breach of the Munich Agreement by the occupation of Bohemia and Moravia, were fresh in their minds. Time after time, Hitler had proclaimed Germany's peaceful intentions, and just as often Germany's acts had belied these protestations.

Nor were the conferees the only ones who knew what terrible events were in the offing. The frenzied pace of the German armament efforts, the events of the recent months, and the widely publicized objectives of the Nazi Party made the future only too

* Document L–79, Prosecution Exhibit 2303 (not reproduced herein) is known as the "little Schmundt report" and contains the minutes of this conference between Hitler and Wehrmacht officers. It was offered in evidence in the Ministries case as prosecution exhibit 148, and in the IMT trial as exhibit USA–27. The German text of the document is reproduced in *Trial of the Major War Criminals*, volume XXXVII.

clear. If one may concede room for doubt before 1939, after the Wehrmacht's entry into Prague no one could any longer doubt that the Third Reich was ready for war. The tension which lay over Europe became nearly intolerable, and Germany was in a constant condition of emergency mobilization. Industrial mobilization had been planned down to the last detail. During the summer, incidents began to "occur" along the German-Polish border, and riots "broke out" in Danzig. These echoes of the Sudetenland crisis were well understood by intelligent, influential, and well-informed men such as the defendants. They knew that Germany would attack Poland, if that unhappy country refused to give in without a struggle.

The defendant Krauch was Goering's right hand, and several others were working closely with Krauch. Many of the defendants were in key positions in the government or the semiofficial Reich Group Chemical Industry. All major Farben projects and policies within the armament effort had been approved in meetings of the Vorstand. It seems superfluous to mention particular meetings at which high government officials informed Farben that war was bound to come; certainly many of these defendants knew the truth far better than those who presumed to whisper state secrets in their ears. But it is perhaps worth mentioning that, in July 1939, the defendant von Schnitzler conferred in Berlin, as was his monthly custom, with a high official of the Reich Economics Ministry named Ungewitter, and Ungewitter, speaking on behalf of the Four Year Plan, told von Schnitzler that Hitler was determined to invade Poland, and that, in view of the guarantees which had been extended to Poland by England and France, Germany must be prepared for an attack on its western frontier. Ungewitter had also made similar statements to others among the defendants, such as ter Meer, Wurster, and Ambros.

On 2 August, Ungewitter, as Reich Commissioner for Chemistry, gave Farben the alert signal for war. Through the Vermittlungsstelle W, instructions to Farben plants were given as follows:

> "The basic principles should be that the raw and auxiliary materials necessary for the execution of the mobilization order issued to you * * * will be held in stock by you for a certain period. In agreement with the Reich Ministry of Economics, I accordingly direct you to stockpile that amount of the war and auxiliary materials indicated by you as necessary for the execution of the mobilization order, which would cover the requirements for three months * * *. It is incumbent upon

you to register as priority transports the quantities of these materials required for the first four weeks from the beginning of mobilization with the military economic department concerned * * *. Please inform me as soon as possible that the directives issued to you for stockpiling have been carried out."

The Vermittlungsstelle W immediately passed these instructions to the Farben plants, and was soon able to inform Ungewitter that they were prepared. The time had come for putting into effect the "cloaking" plans for Farben's foreign assets which the defendant von Knieriem had devised. As this program, known among the defendants as "Tarnung" (camouflage), was put into effect, Farben explained to the Reich Minister of Economics:

"We declare that we shall have unrestricted influence upon the foreign companies, even after the carrying out of the measures aimed at, and that we are preparing and are in a position to insure that all foreign values on hand will be delivered to the Reichsbank either directly by way of the export proceeds or via Stockholm as indicated in our proposal * * *. We declare, moreover, that the decisive real influence we shall have on the foreign sales companies, even after the carrying out of the new requirements, will be sufficient in every respect to answer the requirements of the German governmental and Party authorities with regard to personnel and political questions. We shall always be able to eliminate from our sales business those individuals who are unsuitable or suspect because of their political position, and to insure that no conflicts arise between the staff of our foreign economic sales organization and the general German viewpoint and government and economic policy."*

But, as we have seen before, it is from the defendants' greed for power and plunder that we derive the clearest evidence of their knowledge and intentions. While von Rundstedt and von Bock were deploying the German legions on the Polish frontier in accordance with their plan of attack, Farben was carefully surveying the Polish chemical industries in anticipation of the benefits to be derived from conquest. On 28 July 1939, a comprehensive report was prepared under the direction of the defendant Ilgner, which was entitled "The Most Important Chemical Plants in Poland," and which set forth a detailed description of the physical structure of these plants, the products they manufactured, their adaptability to the German war economy, and the names of their owners and directors.

* Document NI-7078, Prosecution Exhibit 1025, a letter, dated 15 August 1939, signed "Buhl," is not reproduced herein.

On 28 August, the Vermittlungsstelle W notified the Farben plants that it could, for the time being, be reached day and night by telephone and teletype. That day, or the next, the defendant Schneider, head of Sparte I, called a meeting of the department chiefs of the Leuna plant and informed them that the order for the mobilization of the plants had been given. Schneider closed the discussion with the words: "This is war."

On 1 September 1939, the Wehrmacht invaded Poland. As the International Military Tribunal found, the war initiated by Germany against Poland——.

> "was most plainly an aggressive war which was to develop, in due course, into a war which embraced almost the whole world and resulted in the commission of countless crimes, both against the laws and customs of war, and against humanity."*

On the day of the Polish invasion, the famous German steel magnate, Fritz Thyssen, who had been one of Hitler's earliest supporters among the industrialists, fled from Germany, and, as a member of the Reichstag, directed that his vote be cast against the declaration of war. One week after the declaration of war, von Schnitzler, and others among the defendants, started to carry out their program for the seizure of the Polish chemical industries for Farben's benefit.

2. The war years

Farben's plans for war had been so carefully laid that the actual outbreak of war created no major problems. By a telegram from the Vermittlungsstelle W, sent at the orders of the Reich Economics Ministry, all Farben plants were ordered "to switch at once to the production outlined in the mobilization program."

The war which Farben had done so much to make possible had finally come to pass, and Farben continued to function as a vital source of materials and weapons for the German military machine. New and enormous plants were constructed for the production of nitrogen, methanol, and synthetic fuels. Two buna rubber plants had been built before the war, and two more were added in 1941, of which one was located outside the Reich at Auschwitz, and of which we will hear much more shortly. In anticipation of the possibility that poison gas would be used again, Farben built several large installations for its production. It is interesting to note that Farben went to great lengths to conceal its poison gas activities by the formation of subsidiary

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* Judgment of the International Military Tribunal, *Trial of the Major War Criminals*, volume I, page 204.

corporations with unrevealing names such as "Luranil" and "Anorgana," and the contracts with the Wehrmacht for poison gas production were made in the names of such dummy subsidiaries.

Farben, in short, having planned, prepared, and initiated invasions and aggressive wars, proceeded to devote all its energies to the waging of war. Within Germany, it was the arsenal of the Third Reich. In the occupied countries, it was heavily engaged in its plans for industrial spoliation, which will be outlined under count two. Both within the Reich and in the occupied territories, it was heavily involved in the murderous slave labor program of the Third Reich, as will be set forth under count three.

But the evidence under count one does not close with the year 1939. Two years elapsed before the tide of war reached the Western Hemisphere, and during those years Farben continued to be an energetic and resourceful partner of the Nazi government in the fields of propaganda and intelligence, and was particularly effective in delaying the arming of the western countries to meet the German menace.

Farben's foreign intelligence activities were conducted chiefly through its foreign representatives, under the aegis of the defendant Ilgner and the Berlin NW 7 office, and with the cooperation of the Bayer Sales Agencies under the defendant Mann. The information network which Farben had built up proved sufficiently valuable so that in many cases Farben's agents (the so-called Verbindungsmaenner) were taken into the intelligence divisions of the Wehrmacht and of the SS. In Brazil, Peru, Chile, Venezuela, Equador, Mexico, and generally throughout Latin America, Farben representatives were the mainsprings of the local branches of the Nazi Party, furnished propaganda services, and were a constant source of valuable information.

In addition, Farben assisted the German intelligence services by placing on its payroll, and sending abroad under its auspices, the regular officers and agents of the intelligence services. This device was frequently resorted to in the Balkan countries, Turkey, Spain, and Portugal.

Far more important than these intelligence activities was Farben's deliberate use of international cartel and syndicate arrangements to delude businessmen in other countries and thereby delay foreign research in the field of armaments. Activities of this type were of particular importance in the United States, which was the most highly industrialized and potentially powerful country in the world. Examples of Farben's use of cartels and trade agreements for aggressive purposes may be

found in several fields. But the most significant instance was Farben's agreement with the Standard Oil Company of New Jersey.

Farben's contractual history with Standard Oil is an excellent illustration of the manner in which Farben, in close cooperation with the Nazi government, utilized international cartel arrangements in the interests of the German war economy. In 1929, shortly after Farben had developed its processes for the manufacture of synthetic fuels, an agreement was concluded between Farben and the Standard Oil (*Doc. NI–10550, Pros. Ex. 942*), the general purport of which was that throughout the entire world, including the United States, Standard Oil recognized Farben's priority in the "chemical" business and that, except within Germany, Farben recognized Standard Oil's priority in the "oil" business. New "chemical" processes discovered by Standard Oil were to be turned over to Farben unless they bore a close relation to the "oil" business, and Farben entered into a reciprocal obligation with respect to developments related to the "oil or natural gas" business, except within Germany.

In 1930, Farben and Standard Oil entered into a further agreement, (*Doc. NI–10433, Pros. Ex. 945*) the purpose of which was stated to be "the desire and intention of the parties to develop and exploit their new chemical processes jointly on a basis of equality (50–50)." For this purpose, a jointly-owned corporation called Jasco [Joint American Study Company] was set up to test and develop new processes turned over to it by either Standard or Farben.

Both parties to the agreement realized that there was considerable overlap between the oil and chemical fields and that borderline cases would constantly arise. The nature of the "treaty" between Farben and Standard Oil was well summarized in a letter written in 1936 by Frank A. Howard, president of the Standard Oil Development Company (*Doc. NI–10431, Pros. Ex. 946*):

> "The IG may be said to be our general partner in the chemical business as to developments arising during the period beginning in 1929 and expiring in 1947. The desire and intention of both parties is to avoid competing with one another and by these means to permit their technical organizations to cooperate wholeheartedly to their mutual advantage.
>
> "The assumption is that the IG are going to stay out of the oil business proper, and we are going to stay out of the chemical business insofar as that has no bearing on the oil business.

* * * * * * *

"We have lived under the IG relationship for about one-half of the total term, considering the fact that the relationship actually began about two years before the contracts were actually executed. The chemical side of the arrangements has been satisfactory to both sides and profitable to us at least through this period. The arrangement is one which necessarily requires real good will on both sides. The personnel of the IG with whom we shall have to deal in this respect has changed somewhat during this ten-year period, but there is no indication that the new executives will not be able and willing to work with us in the same spirit of good will in which the earlier group worked."

Despite the general language of the Jasco agreement, however, it apparently was agreed on both sides that the development of synthetic rubber processes fell within its terms, and that new developments in the synthetic rubber field should be turned over to Jasco. A letter of Mr. Howard's written in 1940 (*Doc. NI–10434, Pros. Ex. 947*) states:

"The buna synthetic rubber development (to the extent the product was made from oil and natural gas raw materials) was recognized by both parties as coming within the field of this corporation."

As Mr. Howard put it, the arrangements between Farben and Standard Oil were such as to require "real good will on both sides." But the subsequent history of the parties' actions under the contract may best be summarized by stating that one of the parties was entirely trustworthy, and perhaps too trusting, whereas the other was not to be trusted at all. The Standard Oil Company observed the agreement meticulously and, as Mr. Howard's letter shows, was impressed with the "spirit of good will" on the part of Farben. Farben, on the contrary, throughout the period of the agreement, behaved with calculated deceitfulness, and its every move was made in consultation with the Nazi government and was directed to strengthen Germany's technical position and to slow down research in the United States. As early as March 1934, Farben instructed its subsidiary in New York, Chemnyco, which was negotiating with the Du Pont Company on nitrogen matters, not to indicate to Du Pont that the Nazi government might interest itself in the international interchange of technological processes. The letter (*Doc. NI–10547, Pros. Ex. 952*) states that: "We must not allow foreign industry to gain the impression that, in this respect, we are free to negotiate." And in 1935, a memorandum of a conference between

Farben representatives and Wehrmacht officials (*Doc. NI-5931, Pros. Ex. 523*) stated:

"The IG is bound by contract to an extensive exchange of experience with Standard. This position seems untenable as far as developmental work which is being carried out for the Reich Air Ministry is concerned."

In July 1937, another such conference took place. The necessity was stressed of keeping Farben processes for the production of fuels and airplane gasoline secret except to the extent already known by foreigners and authorized by the Wehrmacht. The test agreed upon was whether there was immediate danger that foreigners would develop the process in the near future without benefit of the Farben "know-how." It was also agreed that false impressions were to be given by Farben to its foreign partners such as Standard Oil as to the scale of experiments being conducted by Farben.

Farben's cartel policy is stated bluntly in a memorandum which the defendant Buetefisch wrote in January 1940,* after the outbreak of war. After reciting that "in the field of mineral oils" there were agreements for the exchange of technical experience between Farben and Standard Oil, it stated:

"This exchange of 'know-how' which is still being handled in the usual way by the neutral countries abroad even now and which is transmitted to us via Holland and Italy, firstly gives us an insight into the development work and production plans of the companies and/or their respective countries and at the same time informs us about the progress of technical developments with regard to oil. In these 'know-how' reports, drawings and technical details about the most varied subjects are passed on to us. The contractual obligations mean that we, too, must make our experience with regard to oil available abroad within the framework of the agreement. Up to now, we have carried this exchange of 'know-how' out in such a way that from our side we have only sent reports which seemed unobjectionable to us after consultation with the OKW and the Reich Ministry of Economics and which contained only such technical data as concerned facts which are known or out of date according to the latest developments. In this way, we have succeeded in handling the agreements in such a way that in general the German economy remained at an advantage.

"In order to maintain the contact with neutral countries

* Document NI-10447, Prosecution Exhibit 958, containing three items of correspondence, is reproduced below in section VII L 2.

abroad and the oil companies located there, we consider it expedient to continue this exchange of 'know-how' in the form drawn up, retaining, on our part, the guiding principle that under no circumstances must any 'know-how' of military or military-political importance get abroad in this way. In all cases of doubt, contact with the Reich offices concerned must, therefore, be made."

On this memorandum appears a handwritten note reading: "Agreed. Director Dr. Buetefisch is responsible that nothing of military or defense-political importance gets abroad." This note was initialed by Hermann Goering.

The above description of Farben's tactics in the field of oil is equally valid for synthetic rubber. In 1937, a long course of negotiations began between Farben and Standard Oil with respect to Farben's making available, for commercial development in the United States, the patents and, what was much more important, the "know-how" for the manufacture of buna rubber. Whether or not there was a technical breach of the Jasco agreement by Farben is quite irrelevant. The significant fact is that Farben's carefully planned conduct was such as to lead Standard Oil and the big American rubber companies to believe that they would get the "know-how" from Farben under the agreement, and thereby discourage independent research in America.

Farben did not attempt to conceal the fact that the Reich Government might not look with favor on a turning over of Farben's buna processes, but it succeeded in conveying the impression that Farben itself was only too willing to oblige, and that it would surely secure governmental approval in the near future. Impressed with Farben's protestations of good will, the Standard Oil Company turned over to Farben their own butyl (copolymer) rubber process. On 15 March 1938, three days after the occupation of Austria, Mr. Howard wrote (*NI–10453, Pros. Ex. 959*):

"At my meeting with the IG gentlemen in Berlin on the buna question, it developed that very rapid strides were being made in all phases of the buna development * * *. Certain difficulties still exist which prevent our IG friends from giving us full technical information and proceeding in the normal manner with the commercial development in the United States. It is to be hoped that these difficulties will be surmounted in the near future.

"In view of the very genuine spirit of cooperation which Dr. ter Meer displayed, I am convinced that it is not only the right thing to do, but the best thing from every standpoint to

pass on to them full information on the copolymer at this time. I do not believe we have anything to lose by this which is comparable with the possible benefit to all of our interests."

Three days later, a conference was held at the Reich Economics Ministry which was attended, on behalf of Farben, by the defendant ter Meer. A memorandum of this conference (*Doc. NI-10455, Pros. Ex. 960*) states in part:

"Conferences which, up to now, had the sole object of easing the minds of American interested parties, and possibly to prevent any initiative on their part within the scope of butadiene rubber, were held with Standard, Goodrich, and Goodyear. We are under the impression that one cannot stem things in the U.S.A. much longer without taking the risk of being faced all of a sudden with an unpleasant situation, and lest we be unable to reap the full value of our work and our rights * * *. The American Patent Law does not make licensing mandatory. It is nevertheless conceivable that because of the extraordinarily great importance of the rubber problem for the U.S.A., and because tendencies for mobilizing and effecting a decrease in unemployment, etc., are very strong there too, a bill for a corresponding law might be submitted to Washington. We, therefore, treat the license requests of the American firms in a dilatory way so as not to push them into taking unpleasant measures."

The conference then discussed the possibility of delaying further developments in the United States by maintaining secrecy. It was pointed out that independent development in the United States had advanced so far that it would be impossible to accomplish this result, and that a great deal might be obtained in negotiating with the Americans by way of improved trade relations between the U.S. and Germany. The government officials indicated that they might consider approving the initiation of negotiations in the U.S.A. for the fall of 1938, provided such negotiations would in no way affect the construction of Farben's buna plants already under way. And in October 1938, after the Munich crisis, the Reich Ministry of Economics did, in fact, give permission for the utilization of Farben's buna patents and technical information abroad, subject to the condition that the government's consent would have to be obtained before the final consummation of any such arrangement.

The following month, the defendant ter Meer paid a visit to the United States and, on 28 November 1938, he discussed com-

mercial exploitation of buna rubber in the United States with the Executive Committee of the Standard Oil Company and subsequently with the big American rubber companies. But ter Meer did not enter into any final contractual arrangements, and in the spring of 1939, negotiations along this line came to an end. As ter Meer succinctly put it in a letter to the defendant Krauch in January, 1942 (*Doc. NI–10455, Pros. Ex. 960*) :

> "I should like to state that except for the license agreement concluded with our ally, Italy, processes and 'know-how' on the production of butadiene and the manufacture of buna-S and N were never made available abroad."

After the outbreak of the war in September 1939, the Farben mask was laid aside. Mr. Howard came to Holland and conferred with the Farben representatives at The Hague late in September. As a result of this conference, Farben transferred its interest in Jasco to the Standard Oil Company and transferred the buna patents to Jasco, but the vital "know-how" necessary for speedy exploitation of the patents was not transferred. A letter to the defendant von Knieriem on 28 September (*Doc. NI–10466, Pros. Ex. 974*) stated:

> "Dr. ter Meer thinks it is necessary to point out specifically that there will be no exchange of experience with respect to buna."

The assignment of the buna patents themselves involved no more than bare specifications. Without knowledge of the accompanying Farben processes, they were of little scientific value. The only reason that Farben assigned the patents to Jasco in 1940 was to prevent enemy countries from seizing them, and to safeguard them in the event of war between Germany and the United States. Farben's notes on the conference at The Hague (*Doc. NI–10442, Pros. Ex. 980*) with Mr. Howard stated that:

> "In a later discussion Howard inquired whether, under present circumstances, we would be able to transmit to the United States data for the production of buna. He himself considered this unlikely since in the event of war, the United States would be dependent upon the importation of crude rubber. We have promised Howard to answer this inquiry. Howard himself anticipated a refusal to transmit technical experience. In any event, he has not made the readjustment of Jasco dependent upon our furnishing experience for buna."

From 1939 on, it was quite impossible to obtain further technical information from Germany on the buna process. In Octo-

ber, Mr. Howard stated in a letter (*Doc. NI–10472, Pros. Ex. 984*):

"Of all the synthetic rubber developments in the world, only the buna-S development of the IG is, up to this moment, demonstrated to be a possible immediate reliance for production of synthetic rubber of quality for automobile tires, at a price, and in quantities, which would be practical. We have not complete technical information on the buna-S manufacture in this country, and cannot obtain any more information from Germany. We have complete control of the patents, however; and with the patents and the information we already have, it would be possible to produce the buna-S product in the U.S. A minimum of two years would be required, however, to complete and get into operation the first large plant * * *."

All efforts to obtain technical information from Farben met with pointblank refusal. Thus, in April 1940, it was suggested to Mr. Howard that he try to discover "just what emulsifying agents and promotors the IG used in making buna." Howard conferred with the defendants ter Meer and von Knieriem at Basel, Switzerland, in May 1940, and endeavored to secure this information, but was informed by the Farben representative that:

"It was, however, not able to inform Jasco what emulsifiers are used. The naming of the emulsifiers used by IG amounted to the transmittal of 'know-how' which it was not in a position to give * * *." (*Doc. NI–10553, Pros. Ex. 995.*)

In other words, Farben and the Nazi government, in continuous consultation, utilized Farben's cartel arrangements, such as the one with Standard Oil, as a tool of German foreign policy. The objective was to secure the maximum amount of technical information for Germany in order to promote Germany's war effort, and to withhold, so far as possible, any information of military value and thereby weaken the military potential of other countries.

(Recess)

GENERAL TAYLOR: A most enlightening description of Farben's policy is contained in a memorandum submitted by Farben scientists to the defendant von Knieriem in May 1944. An article by Mr. R. T. Haslam of the Standard Oil Company had appeared in the *Petroleum Times* for December 1943, which stated, among other things, that "the secrets brought to America from Germany fifteen years ago by American scientists have been turned into mighty weapons against Germany." (*Doc. Krauch 39, Def. Ex.*

202.) The Farben memorandum of 1944 is a studied technical answer to the Haslam article. Whether the Haslam article or the Farben memorandum is nearer to the truth is quite irrelevant. The significant point, abundantly supported by the documents we have quoted, is that throughout the late thirties and the early part of the war, Farben and the Nazi government undertook to use the agreement with Standard Oil as an instrument of aggressive war. In the Farben memorandum of 1944, it is set forth, among other things, that—

"The conditions in the buna field are such that we never gave technical information to the Americans, nor did technical cooperation in the buna field take place. On the basis of the contractual agreements, the Americans had only the right to reach a technical cooperation with IG at some undetermined date. Even the agreement reached in September 1939 and mentioned by Mr. Haslam did not give the Americans any technical information, but only that which was contractually their due, i.e., a share in the patent possession. Moreover, at that time a different division of the patent possession was decided upon, which seemed to be in the interest of both partners. The Americans did not at that time receive anything important to war economy; besides, they could have procured the patents without our agreements in wartime, for during war a state will never be kept from production by enemy patents.

"A further fact must be taken into account, which for obvious reasons did not appear in Haslam's article. As a consequence of our contracts with the Americans, we received from them above and beyond the agreement many very valuable contributions for the synthesis and improvement of motor fuels and lubrication oils, which just now during the war are most useful to us, and we also received other advantages from them.

"Primarily, the following may be mentioned:

"(1) Above all, improvement of fuels through the addition of tetraethyl-lead and the manufacture of this product. It need not be especially mentioned that without tetraethyl-lead the present method of warfare would be unthinkable. The fact that since the beginning of the war we could produce tetraethyl-lead is entirely due to the circumstances that shortly before the Americans had presented us with the production plans complete with experimental knowledge. Thus the difficult work of development (one need only recall the poisonous property of tetraethyl-lead which caused many deaths in the USA) was spared us, since we could take up the manufacture of this

product with all the experience that the Americans had gathered over long years."

In summary, as was found in official American Government study of Germany's use of international cartels*:

"Germany used the cartel device as a medium for strengthening Germany's position to make war and, in turn, to weaken the defensive position of its potential enemies."

And the identical attitude was revealed in a memorandum which was prepared by Farben's legal committee in February 1941, which looked forward to Germany's use of cartels after a German victory had been achieved, and stated:

"The essential task of the international chemical cartels after the war will be to support German leadership in a European economy composed of one large territorial and economic unit. These cartels * * * will be particularly suitable to subjugate recalcitrant manufacturers and to combine all forces against the overseas competitor."

3. Summary

At the conclusion of a recital of such facts and deeds as are comprehended in count one of the indictment, and looking back over the last fifteen years, the word "why" forces itself into the mind. Why did the defendants help Hitler to power? Why did Krupp von Bohlen tell Hitler in 1933 that the Nazi regime was in line with the wishes of German industry, and why did Carl Bosch tell the Du Pont officials in July of that year that "industry must support the present government"? Why did Krauch and Schmitz and von Schnitzler and ter Meer and the other leading defendants swing their empire solidly into line with Hitler and Goering, and keep it in line even after the future became so clear to them? There are those who will say that it was all done for money, and no doubt the profit motive played its part. But it is hard to believe that greed alone could drive men to the decisions which these men took. Surely there were other purposes, some of which were even more deeply rooted.

Surveying the entire history of the gigantic and protean enterprise which these men and their predecessors controlled, it is hard to avoid the conclusion that these men were governed by the same unquenchable thirst for power that for years has gripped and distorted the minds of the military caste and many other leading Germans. The words of the deceased Carl Duisberg are

* "Study of the FEA Drafting Committee on the Treatment of German Participation in International Cartels from the Standpoint of International Security," 10 October 1945, page 2.

not, of course, binding upon these defendants, but Duisberg must have been a powerful influence on these men, and what he said illuminates the ethos of the enterprise to which they dedicated their lives. From Duisberg's speeches to the Reich Association of German Industry, from 1925 to 1930, we have selected a few excerpts:

In 1925—

"Be united, united, united! This should be the uninterrupted call to the parties in the big house, the Reichstag, as well as in the small one, the Landtag. We hope that our words of today will work, and will find the strong man—for he is always necessary for us Germans, as we have seen in the case of Bismarck * * *."

Again in 1925—

"Gentlemen! You may believe me when I say that nobody willingly admits the weakness of his country. Yet nevertheless I consider myself duty-bound to tell everyone at all times, at home and abroad: Let us admit it, war is impossible for Germany. We are disarmed * * * But back to deeds. Gentlemen! Germany was made great and mighty by her *deeds in peace.* The whole world knew her, and the whole world must come to know her again. We must reconstruct on the basis of existing conditions, hard as this is. Let us get rid of the very German 'if'. Let us work!"

1926—

"If Germany is again to be great, all classes of our people must come to the realization that leaders" (the German word is Fuehrer) "are necessary who can act without concern for the caprices of the masses * * *. It is to be hoped that there will be found in Germany the necessary number of such personalities, who will be the leaders of their nation. Only then will she rise from deepest misery to her former greatness."

1928—

"One thing is certain: No matter what the decision may be, we will not be spared heavy payments since our Fatherland's lack of might makes all resistance appear hopeless. Here, too, the words of the great Prussian King are true: 'Policy without might is a concert without instruments.'

"The revolution put in the place of the constitutional form of government, with its permanent representative character, in which a well-trained and expert officialdom attempted to

solve the problems of the State from the point of view of the common good, a people's State characterized by an emphatic party rule."

And finally in 1930—

"While previously, for the most part, the economy experienced strictly objective treatment of its affairs, and thus had no occasion to undertake active intervention in politics itself, this circumstance was greatly changed after the upheaval. And referring to the Weimar Republic and its creation, the final decision in economic matters was, as in all modern democracies of the world, placed in the hands of the masses, which were neither expert nor able to become expert in economic matters, and furthermore are not prepared to bear the responsibility for those decisions whose results they meet at first hand. The overwhelming and determining influence of worker masses organized in unions, mostly with a socialistic and class-war ideology, drive economic decisions which are to be made by the State or its organs out of the sphere of objective judgment to the political platform * * *. I am more than ever convinced that business must commence with all its power to make its influence felt in those circles which belong to German enterprise, namely in the great creation and regrouping of the modern working citizenship with a positive attitude towards the State. It is necessary to fight, with active political work, for the realization and consideration of economic necessities in political decisions."

These words were spoken before most of us had even heard of Hitler. It is certainly not in Hitler's style, but, almost without exception, the thoughts are exceedingly parallel to those of Hitler's speech to the industrialists three years later. Hitler was the "strong man" who would take economic affairs out of "the hands of the masses," restore Germany's "might," and rid her of the shame of "admitting" that "war is impossible for Germany."

Nearly a decade after the last of the above paragraphs was written by Duisberg, in April 1939, the defendant Krauch submitted a "work report" as "the Plenipotentiary General for Special Questions of Chemical Production" of Minister President, Field Marshal Goering. Bohemia and Moravia had just been conquered by threats and occupied by armed force; the Sudetenland and Austria had passed into recent history. German "might" had been restored; war was not only possible for Germany, but all of Europe lay shuddering under the German terror. A Fuehrer totally lacking in "concern for the caprices of the

masses" or for the principles of common decency and humanity had arisen and the "worker masses" no longer had the slightest voice in the solution of "economic matters." The conclusion to Krauch's report* is nothing more than the logical extension of the ideas which Duisberg had given voice to a decade earlier; Krauch is less philosophical, but terribly practical:

"When the Field Marshal, on 30 June 1938, set objectives for the increased production in the spheres of work discussed here, it seemed as if the political leadership would be able, independently, to determine the timing and extent of the political revolution in Europe, while at the same time avoiding a clash with a group of powers under the leadership of Great Britain. Since March of this year, there is no longer any doubt that this hypothesis no longer exists. The economic war against the anti-Comintern powers which, under the leadership of Great Britain, France, and the U.S.A., has been under way secretly for a long time, has now finally been revealed; as time passes, it will become more and more intense.

"At Wilhelmshaven, the Fuehrer expressed his determination not to remain passive in the face of this policy of encirclement, which, although for the time being economic and political, is ultimately aiming at military isolation.

"I am of the opinion that from this decision the *necessary conclusions will have to be drawn without delay, and for the sphere of chemical industry as well.* The following is a general outline:

"*Formation of a uniform major economic bloc of the four European anti-Comintern partners, which Yugoslavia and Bulgaria will soon have to join.*

"Within this bloc there must be a *building up and direction of the military economic system from the point of view of defensive warfare by the coalition.*

"The bloc must extend its influence to Roumania, Turkey and Iran. *The German-Roumanian political treaty will serve as a suitable example* of the methods to be applied for the gaining of influence.

"The great importance of extending commercial relations with Russia is stressed by the gradual shifting to the East of the focal points of German economy and export, and by the compelling necessity of utilizing the Ukraine (iron) in case of war.

* * * * * * *

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* Document EC-282, Prosecution Exhibit 455, dated 28 April 1939, reproduced below in section VII G 5.

"By the policy of encirclement manifested by the enemy, a *new situation* is created:

"It is essential for Germany to strengthen its own war potential as well as that of her allies to such an extent that the coalition is equal to the efforts of practically the rest of the world. *This can be achieved only by new, strong, and combined efforts of all of the allies, and by expanding (and improving), peaceably at first, the greater economic domain,* corresponding to the raw material basis of the coalition, to the Balkans and Spain.

"If action does not follow upon these thoughts with the greatest possible speed, all sacrifices of blood in the next war will not spare us the bitter end which once before we have brought upon ourselves owing to lack of foresight and fixed purpose."

We will let one more year go by. It is June 1940; Poland, Norway, Belgium, and the Netherlands have been conquered and occupied. It is a few weeks after Dunkirk, and France is about to capitulate. At about this time, the defendant von Schnitzler summoned a meeting of the Farben Commercial Committee to agree upon the principles underlying what the defendants called the "New Order" (Neuordnung) for the chemical industry. Early in August, Farben presented this document* to the Reich Minister of Economics. The report explained that an "economic empire" [Grossraumwirtschaft] would soon be shaped in Europe which—

"* * * will, upon conclusion of the war, have the task of organizing the exchange of goods with other major spheres * * * in competitive markets—a task which includes more particularly the recovery and securing of world respect for the German chemical industry."

The immediate objective of the "New Order" was to integrate European production with the German war machine. The long-range objective was the incorporation of the chemical industry of Europe, including Great Britain, within the framework of German hegemony, and ultimately Farben's domination of the chemical industry of the world. The "New Order" was a careful plan for the use of Farben's economic weapons—cartels, investments and technical achievements—to combat the last remaining challenge to its supremacy, the Western Hemisphere.

While Great Britain was not covered in detail in the "New Order," the Commercial Committee decided, at a meeting on 12 November 1940 attended by the defendants von Schnitzler,

* Document NI-11252, Prosecution Exhibit 1051, dated 3 August 1940, reproduced below in section VII N 4.

Haefliger, Ilgner, Kuehne, von Knieriem, Kugler, Mann, ter Meer, and Oster that, in anticipation of the conquest of Great Britain, immediate attention must be given to that country. They agreed:

> "that the various sales combines and other offices concerned should work out the matter sufficiently in advance so that IG can express a comprehensive attitude as quickly as possible at the proper time.
>
> "The lists of the chemical industries of Great Britain now being prepared in the Economic Research Department (VOWI) should be given to Dr. ter Meer and Dr. von Schnitzler for their opinion before being passed on."*

The "New Order" was not hastily prepared; it was a complete exposition of projects which Farben had developed since World War I and hoped to accomplish through German aggrandizement. The "New Order" contains thousands of pages of specific programs for the chemical industries of Europe, including Great Britain. These detailed plans outlined the existing structure of the chemical industries of the European countries and set forth their future organization and direction. In many instances, Farben planned to liquidate, completely, chemical companies and production in certain countries, making those countries wholly dependent upon the Reich and thereby securing Germany's military supremacy.

It was, in summary, a plan for the marshaling of the chemical industry of the continent of Europe, including Great Britain, to wage war against the world. It is a plan for the realization of the ideas of Duisberg and the predictions of Krauch. We need seek no farther for the motive in this case; it is all written down in these documents. They are written in the dispassionate language of science and commerce but, between the lines, the smoldering hate and boundless ambition are easily discernible. These men wanted to make the world their own, and they were prepared to smash it if they could not have their way.

Your Honors, that concludes the outline of the evidence under count one, and Mr. Sprecher will continue with count two of the indictment.

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* Document NI-6162, Prosecution Exhibit 866, containing extracts from the minutes of the 37th meeting of the Commercial Committee, not reproduced herein.

COUNT TWO: PLUNDER AND SPOLIATION

MR. SPRECHER: Count two: plunder and spoliation.

The charges under count two of the indictment are based upon familiar and well-established principles of international criminal law, which are embodied in The Hague Convention and other authoritative sources. Article II of Control Council Law No. 10 prescribes under the definition of war crimes, the "plunder of public or private property," and in the definition of crimes against humanity it recognizes the criminality of inhumane acts and other offenses committed against civilian populations.

Germany's invasions and aggressive wars were destined to lead, and in fact resulted in, the complete ruin of national economy in the occupied countries. The Nazi government left no doubt about its ultimate goal, and the German industrialists, outstanding among them these defendants, furthered this policy and used it for their own ends. The sufferings connected with the war were thereby deliberately and criminally aggravated. Wholesale starvation of the population multiplied the number of casualties brought about by warfare. The International Military Tribunal, summing up its findings on plunder and spoliation, said in its decision:*

> "The evidence in this case has established, however, that the territories occupied by Germany were exploited for the German war effort in the most ruthless way, without consideration of the local economy, and in consequence of a deliberate design and policy. There was, in truth, a systematic 'plunder of public and private property' which was criminal under Article 6 (b) of the Charter."

In the planning and execution of these crimes, Farben played an important part. In approaching its special role in dealing with the chemical industry of the occupied countries, we will do well to underline again its versatility, its capacity to adjust itself to prevailing circumstances and to determine upon a skillful course which was satisfactory to the Nazi authorities and, at the same time, kept Farben in a position to hold and to expand its private industrial empire. The course of events shows that the Farben leaders knew when to strike at once and ruthlessly, as in the case of Poland, as well as when to wait until the totality of circumstances became more advantageous to Farben, as in the case of France. However, in each case we will find Farben prepared with a thorough analysis of the political, eco-

* Judgment of the International Military Tribunal, *Trial of the Major War Criminals*, volume I, page 239.

nomic, and military situation and of the personalities involved, with a staff of experts ready for all eventualities, with cooperative Nazis in high places who could properly be approached at the propitious moment, and with dummies and liaison officers who could make approaches on its behalf when Farben itself, for the moment, desired to remain in the background. No moral or legal considerations of any kind were allowed to enter the picture. In Farben's mind the purpose of both war and plunder was to enrich Farben and to extend the German dominion and its own *et pereat mundus*. Germany's aggressive wars were not supported and participated in by Farben just to stand idly by when the distribution of the spoils was made.

In outlining the evidence under count one of the indictment, we have already described, in summary fashion, Farben's seizure and exploitation of the chemical industries of Austria and Czechoslovakia. These acts were part and parcel of the invasion and occupation of Austria and Czechoslovakia and, as such, fall within the ambit of count one. The same acts constituted war crimes and crimes against humanity, as is charged and set forth in count two.

For brevity's sake, we will confine ourselves at this time to a brief summary of the evidence in connection with plunder and spoliation in three other countries: Poland, France, and the Soviet Union. As is set forth in the indictment, Farben's criminal activities under count two were by no means confined to these three countries; Norway, Greece, and Yugoslavia, among others, were equally its victims. But the evidence with respect to these other countries may await its actual presentation during the trial.

A. Poland

Poland had barely been subjugated when the German Reich created the "legal" basis for taking "title" to her public and private property by issuing, to this effect, a number of decrees. The "authority" of German agencies to "sequester" Polish property under these decrees had virtually no limits. Poland was called, by both the Nazi legislature and Farben officials, the "former Polish State." As to its property, the German Decree Concerning Sequestration of 15 January 1940 (*Doc. NI–4603, Pros. Ex. 1126*), following other decrees similar in scope, enacted:

> "The entire property of the former Polish State, tangible or intangible (together with all appurtenances), including all claims, participations, rights, and interests of any kind whatsoever, is put under sequestration."

And a modest second paragraph provided:

"Property so sequestrated is hereby seized."

Another decree, dated 17 September 1940 (*NI-4601, Pros. Ex. 1128*), repeating and supplementing other similar decrees, dealt with Polish property in the Incorporated Territory (so-called Warthegau). It provided for the "sequestration" of property, and enacted:

> "Sequestrated property may be confiscated by the competent agency for the benefit of the German Reich if the public welfare, particularly the defense of the Reich or the strengthening of Germanism, so requires."

The agency referred to in decrees of this kind was the Main Trustee Office East (Haupttreuhandstelle Ost). The general policy under which this agency operated was described by the notorious Hans Frank, the Governor General of Poland, in the following words:

> "On 15 September 1939 I received instructions to take over the administration of the Occupied Eastern Territories * * *, accompanied by special orders to exploit this field ruthlessly as a war territory and a land of booty, to turn it, so to speak, into a heap of ruins from the point of view of economic, social, cultural, and political structure."

These practices flagrantly violated all known standards under the laws and customs of war limiting the permissible use of the resources of occupied countries. In this undisguised pillage, Farben was a full-fledged partner. We have already mentioned that in July 1939, two months before the outbreak of war, the defendant Ilgner's Berlin NW 7 office prepared a comprehensive report entitled: "The Most Important Chemical Plants in Poland," which formed the basis for Farben's plundering activities in Poland.

The three outstanding Polish enterprises in the chemical field were known as "Boruta," near Lodz, and "Wola" and "Winnica," both situated near Warsaw. All three produced dyestuffs and other chemicals, and Boruta manufactured explosives as well. Boruta and Wola were old, well-established firms, and all three were members of the international dyestuffs cartel.

Even before Lodz, let alone Warsaw, was conquered, the defendant von Schnitzler on 7 September 1939, only six days after the attack on Poland, called a Farben director named Schwab and asked him to prepare to take charge of the Polish dyestuff factories which, in all probability, would fall into German hands. The same day, he requested Farben's Berlin office to contact the

Reich Ministry of Economics. The defendant Haefliger at once visited the Ministry, informed it about the Polish factories, and asked for Farben's trusteeship. On 14 September 1939, the defendant von Schnitzler, together with Schwab, called on Dr. Mulert of the Ministry of Economics, and urged that Farben, and Farben alone, would be a proper "trustee" of Boruta, Wola, and Winnica. He argued that Boruta was most important to the war effort, since 85 percent of Farben's production of aniline dyestuffs and their intermediates was being produced by Farben's western plants which were exposed to enemy air attacks; he also stressed that the Wola factory was owned by Jews, and that it should be closed, "since the plant has no importance to speak of as an independent enterprise." Operation of Boruta, however, should be continued on the largest possible scale.

On 21 September 1939, the two Farben directors, Schwab and Schoener, were elected trustees, their appointment providing that "the enterprises have to be adapted to the requirements of the German war economy, and German exports to neutral countries." All this was just a first step. What Farben was aiming at was the actual ownership of Boruta.

In November 1939, the defendant Wurster made an inspection trip through conquered Poland. His comprehensive report, addressed to the defendant Buergin, deals with ten Polish factories, among them Boruta, Wola, and Winnica. In most cases, the author reached the conclusion that the equipment and installations should be dismantled and brought to German Farben plants without delay. Lust for plunder went so far that the mere fact of a factory's existence sufficed for coveting it, even if it was not yet known to Farben by name or otherwise. At a meeting of Farben's Commercial Committee in October 1939,* it was stated that a Farben lawyer named Deissmann,

> * * * on his way back to Warsaw, also will call on the chief of the civil administration at Poznan in order to clarify the appointment of a trustee for the 'biggest chemical industrial plant' located there—which plant is involved is not yet known."

To obtain their objectives in Poland, Farben had to win over the SS men who had descended like a plague on the wretched country. An SS colonel named Eichenhauer, who was a member of the Nitrogen Syndicate headed by the defendant Oster and thereby known to the Farben people, received a "particularly friendly" invitation from Farben and was instrumental in intro-

* Document NI-5947, Prosecution Exhibit 1133, containing excerpts from the minutes of the 26th meeting of the Commercial Committee, is reproduced in section VIII C 2, volume VIII, this series.

ducing the defendant von Schnitzler to SS Brigadefuehrer Greifelt* of the Main Trustee Office East. After discussing the situation with Greifelt, von Schnitzler thanked him warmly "for his benevolence" and indicated that "if difficulties should arise, Farben, with confidence, would apply to him." Greifelt was a particularly unsavory character, whose lootings in Poland totaled nearly a billion marks, and who subsequently played an important part in the kidnapping of Polish children to be brought up as Nazis under special SS tutelage. With Greifelt's assistance Farben got its way. Boruta, with all its movables and immovables, supplies, plants, premises, and buildings, was transferred to a corporation organized by Farben. Everything was taken over with one exception:

> "Subsistence allowances, annuities, and similar payments for which Boruta might be responsible according to earlier contracts with employees, or other agreements dating from Polish times, especially payments out of the so-called savings fund, will not be taken over by the purchaser. The purchaser is, however, prepared to pay any annuities or other sums which may be due to persons of German race. [Volksdeutsche and Reichsdeutsche] by reason of existing provisions or such arising in future." (*Doc. NI-6831, Pros. Ex. 1150*)

Contrary to the maxim of ancient Rome, Farben's motto was "combine and rule." In each conquered country, Farben endeavored to amalgamate the more valuable segments of its chemical industries into a single large combine, dominated by Farben, and to close down the rest altogether. In Poland, Farben recommended that Wola and Winnica should be stripped of such equipment as could be used for the German war effort, for removal to either Boruta or Farben plants in Germany. The factories themselves should thereafter lie idle. The Nazi authorities agreed. Winnica's installations and machinery were dismantled and part of them shipped to Ludwigshafen, and parts of Wola were also transferred to Farben plants in Germany.

The defendant Wurster, in his report to Farben in November 1939, stressed the fact that the owners of Wola were three "gentlemen" (the quotation marks are Wurster's) named Szpilfogel, Goldfisch, and Augenblick, all three of whom were Jewish. So far, we have talked about spoliation in terms of factories and machines, but we must not overlook the fact that these

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* Ulrich Greifelt, Lieutenant General of SS and of the Police, Chief of the SS Main Office of the Reich Commission for the Strengthening of Germanism and Deputy Chairman of the Supervisory Board of the German Resettlement Trustee Company, was the chief defendant in Case 8 (the RuSHA case), volumes IV and V, this series.

factories were owned and operated by human beings. What happened to Mr. Szpilfogel when Farben closed down his factory, and how was he treated?

Mr. Szpilfogel has been described by a Farben director as "a man of calibre who, for the first time, introduced naphthol dyestuffs in Poland. He was, no doubt, a highly respected personality." Soon after the capture of Warsaw, the two Farben "trustees," Schwab and Schoener, called on him and sequestered all his dyestuffs. They also informed him that his house in Warsaw and his country estates at Wola and Otwock were included in the sequestration, and from now on were under the control of Farben. They confiscated his automobiles and forbade him to use anything in any of his houses.

Schwab and Schoener forced Szpilfogel to move, with his family, into a small apartment in one of his own houses and pay a monthly rent to Farben. For a short time, they allowed him a trifling allowance from the Wola properties, but eventually even this was stopped.

In 1940, the Germans established the infamous Warsaw ghetto and, in November, Szpilfogel and his family were forced to move to the ghetto. Szpilfogel, through the international dyestuffs cartel of which his firm had been a member, was personally acquainted with the defendant von Schnitzler and other Farben officials. In January 1941, from the ghetto, he sent a despairing letter to von Schnitzler,[1] in part as follows:

> "Your kindness, with which I am familiar, encourages me to contact you with the request that I be permitted to move with my family to an appropriate apartment at my residence and place of birth, Wola, near Peprikau, and to obtain permission to work in the industrial plant Wola, of which I am a part owner, in order to be able to exist. As my son is ill in a hospital, I respectfully request that it be rendered possible for him to receive regular monthly payments on his credit account with the chemical factory Wola. The same for my daughter Hanna, who has a substantial credit with the chemical factory Wola. Hoping that you, dear sir, will conform to my wishes * * *"

The defendant von Schnitzler referred Szpilfogel's plea to Schwab, commenting:[2]

> "Dr. M. Szpilfogel has sent me the enclosed letter dated 16 January. I am sending you the original text. It goes

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[1] Document NI-707, Prosecution Exhibit 1155, not reproduced herein.
[2] Ibid.

without saying that nothing can be done from here in this matter. What you can do in your capacity as trustee of Wola, I don't know. This constitutes a part of the duties which fall to you as a result of your appointment as trustee. I must therefore leave it entirely to you to do what you see fit in this matter; I refrain from taking any position on my part. You will be good enough to advise Dr. Szpilfogel directly of your decision. With kind regards, and Heil Hitler,

(signed) Schnitzler"

Szpilfogel never received any answer to his letter. He remained in the ghetto until the end of July 1942. In the meantime, the Germans had begun the liquidation of the Jews in the ghetto; they would order the inhabitants of houses or blocks to assemble in the street, where they were loaded into trucks and carried off to Treblinka, or one of the other extermination camps. Szpilfogel's turn came in July 1942, but he managed to slip away, and hid himself. By the kindness and courage of his former concierge, he ultimately escaped from the ghetto and survived the German occupation. His son, his son-in-law, his sister, two of his brothers with their entire families, and all four of his wife's brothers and sisters were murdered in the ghetto.

B. The Soviet Union

One of the guiding "Principles for Economic Operations in the Newly Occupied Eastern Territories",* promulgated as soon as the attack on the Soviet Union started, provided that "in accordance with the command given by the Fuehrer all measures are to be taken which are necessary to bring about the immediate and highest possible exploitation of the territories in favor of Germany." The regulations of the Hague Convention of 1907, in which Germany was a party, were openly disregarded "since the USSR is to be considered dissolved." Soviet resources were to be exploited most ruthlessly even "if many millions of people are starved to death."

The defendants were active members of, and participants in, the plan to strip Russia of her resources on a scale unprecedented in modern history. Farben accepted as a matter of course that the German Reich is "successor to former Soviet State property,"

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* Document NI-10119, containing extracts from the "Brown Folder" of the East Ministry (dated April 1942) concerning "Directives for the Economic Administration" of occupied Russia, and Document EC-347, (also Koerner 450)—containing extracts from the "Green Folder" of the Economic Executive Staff East (dated September 1942), containing "Directives for the Leadership of Economy in the Newly Occupied Eastern Territories" were not introduced in the Farben case but were offered in evidence in the Ministries case (Case 11, volumes XII–XIV this series), Document NI-10119 as Prosecution Exhibit 1055 and Document EC-347 as Prosecution Exhibit 1058, Koerner Defense Exhibit 176. Both documents are partially reproduced in volume XIII (sec. X E 1), this series.

and it directed its efforts from the very start towards sharing the spoils to the greatest possible extent. This aim was not easily attained. The Nazi government was resolved, at least in the beginning, to reserve the spoils for SS and combat veterans. Contrary to the case of Poland, therefore, it did not give the "trusteeship" of Russian enterprises to German industrialists; instead, it organized so-called "Monopoly" or "East" corporations which were charged with "protecting" the Russian plants. Farben, therefore, tried to get as big a share in these "Monopoly" corporations as possible, and to place its employees in key positions.

Of course, mere participation in the "Monopoly" corporations was not satisfactory to Farben. At least in its own field, particularly in the field of synthetic rubber, Farben wanted to become the exclusive master. That the "dissolved" Soviet Union was to be entirely excluded from its own buna factories, its supplies, and installations, was a foregone conclusion. Circular letters were sent by the defendant Ambros to the Farben employees who were selected to exploit the Russian buna plants. The first circular letter, of 1 July 1941,* said:

> "It is intended that, when your assignment for Russia comes about, a commission, consisting of Wulff, Biedenkopf and myself, will go to Russia; there to settle with you the question of using Russian plants for the production of certain types of buna or their primary products, in order to utilize also the Russian production for our purposes as soon as possible."

Farben employees who, vested with official authority as "Sonderfuehrer" (special leaders), were to take over the Russian buna plants, first temporarily and then "definitely," were appointed by Ambros. Such was Farben's zeal and precipitancy that their emissaries even surpassed the speed of the German Army. Farben's employee Eilers reported on the failure of a mission. He had to return from Voronezh "not having accomplished anything; it was impossible for him to approach the factory at Voronezh since that plant had not yet fallen to the Germans." Farben prepared lists of all Russian plants for buna, plastics, and dyes, including plants in Georgia, Armenia, and western Siberia. Farben Director Borgwardt sent these lists, on 14 January 1942, to the selected Farben representatives, saying:

> "I advise you to be on the alert when the places set forth in the enclosure are occupied by German troops, so that we can

* Document NI-4969, Prosecution Exhibit 1179, reproduced in section VIII E 2, volume VIII, this series.

then contact at once the German authorities having jurisdiction." (*Doc. NI–7468, Pros. Ex. 1187.*)

In October 1941, at a conference with Dr. Ungewitter, it was agreed that "protection" of the Russian buna plants would be transferred by the Reich to Farben. It was more difficult to get a preemptive right to the effect that, if the German Government should decide to sell the plants, Farben would have the first refusal. But in December 1941, the Reich Ministry of Economics agreed in principle to Farben's preemptive right. The main difficulty was Farben's request for the exclusive right of using Russian processes and know-how within Germany. In this respect the government was stubborn. Farben, however, was not easily discouraged. Though usually diplomatic in its official intercourse with the Nazi authorities, Farben used blunt language in a letter to the Reich Ministry of Economics, signed by the defendant Ambros,[1] setting forth the objections to the Reich's invasion of Farben's domain:

> "As you well know, Farben started the development of buna with very considerable expending of labor and money and at the risk of private funds, so well ahead of time, and provided major installations for the manufacture of buna of such scope, that it is possible to take care of the rubber requirements, necessary for war, of the German Wehrmacht and economy. We believe, in view of these services rendered by Farben to the Reich, that it would be unfair if the Reich, taking advantage of the processes found in Russia, were to enter into competition with Farben in Germany in the utilization of manufacturing processes, especially since these processes can be of use to the Reich only through the aid of those experts which Farben has made available to the Reich for this particular purpose."

In this letter Farben, with all clarity, revealed the trumps it held. By taking the initiative and risking its own funds, it had rendered immeasurable service to the German war machine, and it could afford to remain adamant since the Nazi government was completely dependent on Farben's cooperation. As Albert Speer explained in a letter to Himmler in July 1944:[2]

> "I do, however, regret that within the framework of the Four Year Plan, no competitive firm to the I.G. Farben Konzern was established, as in the case of the Hermann

[1] Document NI–4971, Prosecution Exhibit 15, dated 3 July 1942, reproduced in sec. VIII E 2, volume VIII, this series.

[2] Document NI–4043, Prosecution Exhibit 14, reproduced below in section VII C 4.

Goering Works. This would have been easily possible at the time when the numerous new plants of the Four Year Plan were established. Nowadays, we depend entirely upon the work of I.G. Farben for chemical progress."

C. France

In 1940, envisaging the defeat of France, Farben's plans for enlarging its empire went beyond preparations for reaping the spoils of each individual aggression. We have already described the "New Order" for the chemical industry, which Farben developed between June and August 1940.

The "New Order" document embodied Farben's plans with respect to the French chemical industry. The three principal French enterprises in the dyestuffs field—Kuhlmann, St. Clair du Rhône, and St. Denis—were to be consolidated. The smaller French factories were to be closed down. A new combine of the large firms was to be formed, which was later on called "Francolor."

The German spoliation in the West differed from the Eastern scheme in the methods used but not in the ultimate goal. What both the Nazi government and Farben aimed at was complete subjugation of French industry and the widest possible use of its facilities for the German war machine. In the case of France, the pretense of an orderly procedure was to be observed, since the official catchword was "collaboration."

The identity of purpose, however, clearly appears from official German orders not destined for publication abroad. Under the heading "Systematic Exploitation of the Economy of the Occupied Western Territories for the German War Economy," Goering decreed on 26 August 1940:*

> "It is a necessity of high political importance that the capacities and raw materials in the Occupied Western Territories shall be employed systematically and to the fullest extent in order to help the German war production and to raise the war potential for the fulfillment of the demands to be made in the interest of further warfare. The High Command of the Wehrmacht (OKW) and the Reich Minister of Armaments and War Production have already published the directives necessary in this connection."

As far as German industry is concerned, its greed, even before France had signed the Armistice, was such that Goering, on 20 June 1940, deemed it necessary to order:

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* See *Nazi Conspiracy and Aggression*, Office of United States Chief Counsel for War Crimes (Washington, D. C., United States Government Printing Office, 1946), Document EC–620, volume VII, page 608.

"The endeavor of German industry to take over enterprises in the occupied territory must be rejected in the sharpest manner."[1]

But when it was decided to plunder under the cloak of "collaboration," German industry was invited—and gladly accepted the invitation—to play its part. Defendant Wurster reported on "very interesting" directives given by Ministerialdirektor Schlotterer,[2] "one of the most competent personalities in the Reich Ministry of Economics," before the Council of the Reichsgruppe Industrie, according to which Schlotterer was strongly in favor of German industry penetrating the industry of France and other occupied countries:

"You may have any amount you desire * * * The essential thing for us is that you do penetrate, and that, in this way, we secure our influence in the countries involved."

In subjugating the French chemical industry, Farben acted in closest cooperation with, but by no means under the leadership of, the Nazi government. The initiative was Farben's. Farben drafted the plan to eliminate French competition once and for all, to become master in the French house, to prohibit French exports, and, despite all that, to maintain the pretense of a voluntary contract with mutual rights and duties. The Nazi government had favorably received Farben's "New Order" plan, and from then on gave its support but no instructions. As defendant Kugler put it, Farben regarded negotiations with the French

"* * * as a matter which concerned Farben, and in which the support of the German Government was certainly desired, but in which we needed neither directives nor advice from the Government."[3]

Farben's scheme, briefly, was to show "historically" that its predecessor firms were unfairly damaged by both the Treaty of Versailles and the attitude taken by the French chemical industry. These damages should now be fully repaired. Obviously, Farben felt that its "reason" might not sound too convincing to the French, and accordingly it decided to put them in such a position that they had no alternative but to accept. One device

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[1] Document PS–1155, Prosecution Exhibit 1239 (not reproduced herein) is a "Notice" dated 20 June 1940, regarding a conference in Field Marshal Goering's headquarters on 19 June 1940.

[2] Gustav Schlotterer, an official of the Reich Ministry for Economics since 1935, was at this time a Ministerial Director. He later became Chief, Economic Policy Liaison, Reich Ministry for Occupied Eastern Territories, and was a member of Economic Staff East. In 1941, he became Chief, Eastern Division, Reich Ministry of Economics.

[3] Document NI–4670, Prosecution Exhibit 1258 (not reproduced herein) is an affidavit by Hans Kugler dated 28 April 1947.

was to delay the discussions so urgently asked for by the French and to use the interim period to "starve out" the French chemical industry. After the armistice, it became a vital necessity for the French nation and its industry that the occupied part could export to the unoccupied part, and import from it in turn. Exports and imports of this kind depended on licenses to be granted or rejected by the German Military Governor in France. Farben was able to arrange that such licenses would be refused. By such devices, Farben hoped to make the French more pliable or, as the defendants at that time cynically called it, "ripe for negotiations."

When this stage of "ripeness" seemed to be reached, the defendants von Schnitzler, ter Meer, and Kugler met the French industrialists at Wiesbaden on 21 November 1940. The stenographic report of the meeting shows that the French were treated in the most ruthless way, and that they were faced with the alternative of either accepting Farben's dictate or not surviving at all. The French did what they could under the circumstances. They protracted negotiations, they applied to their government for support, and they tried to contact defendant von Schnitzler personally in order to obtain easier terms. It was all in vain. Their main objection was to Farben's 51 percent participation in and consequent control of the new combine. But the pressure exercised by Farben was such that the French Government itself finally advised the industrialists to give in. One year after the Wiesbaden meeting, the Francolor agreement was signed under which the French chemical industry lost its independence and became a subsidiary of Farben. Terrorized though they were, the French industrialists insisted upon inserting a preamble to the Francolor agreement by which they made it clear that they did not sign the agreement of their own volition.

As to the results, the defendant ter Meer could proudly report:

> "In the field of dyestuffs and auxiliary products, the French will be confined, under the contract, to the French market, and to exports to Belgium and Spain; by that they are eliminated as competitors in the dyestuffs field in all other markets."

Or, as the defendant von Schnitzler put it in his letter to the French Government, the "basic fundamental idea" was that "in principle, no export of Francolor is allowed to take place".* In return, Francolor was granted decisive assistance by giving it, in the field of intermediates, orders for the German Army requirements. While the defendants von Schnitzler, ter Meer,

* Document von Schnitzler 69, von Schnitzler Defense Exhibit 73 (not reproduced herein), dated 3 November 1941.

Kugler, and others were busy subjugating the French dyestuffs industry, the defendant Mann, head of Farben's pharmaceutical sales department, coveted the French pharmaceutical combine, known as "Rhône-Poulenc."

In this instance, it was the same theme with different variations. One transparent device and crude threat after another was used. We will not burden the Tribunal at this time with the details of the "negotiations." Ultimately Rhône-Poulenc was forced to conduct a substantial part of its marketing through a sales company in which Farben, in its own name, held a 49 percent interest, and a French nominee of Farben held another 2 percent, which gave Farben control. In this instance, as in the others which will shown by the evidence under count two of the indictment, Farben was both versatile and ruthless in achieving its criminal ends.

The presentation will be continued by the Deputy Chief of Counsel, Mr. Dubois.

COUNT THREE: SLAVERY AND MASS MURDER

MR. DUBOIS: Count three: slavery and mass murder. Under count three of the indictment, the defendants are charged with crimes which are recognized as such not only under international law, but by the ordinary penal laws of all civilized nations. The Hague and Geneva Conventions contain numerous applicable provisions with respect to the treatment of prisoners of war and the civilian population of occupied countries. The definitions of "war crimes" and "crimes against humanity," in Article II of Control Council Law No. 10, specifically prescribe "murder, ill-treatment or deportation to slave labor or for any other purpose, of civilian populations from occupied territories, murder or ill-treatment of prisoners of war" and "extermination, enslavement, deportation, imprisonment" and "other inhumane acts committed against any civilian population, or persecution on political, racial, or religious grounds." The evidence under this count relates primarily to the use and abuse of prisoners of war, the enslavement and deportation to slave labor and mistreatment of many thousands of civilians in the countries occupied by Germany, the conducting of atrocious medical experiments upon enslaved persons without their consent, and the extermination of slave workers who had been used up and were no longer of value as laborers.

A. Farben and the Slave Labor Program

The slave labor program of the Third Reich was the revolting offspring of the aggressive wars which it planned and waged. It was designed to keep the German war machine rolling at the frightful expense of the freedom and lives of millions of persons. The tyranny and brutality of Nazi conquest was felt by them not only in their own homelands of France, Belgium, Holland, Russia, Poland, Czechoslovakia, Denmark, and elsewhere; but hundreds of thousands suffered the additional miseries of being torn loose from homes and families and being shipped to Germany into slavery, and often to a miserable and premature death.

The story of the slave labor program was unfolded before the International Military Tribunal, and its judgment established its essential facts and deep criminality beyond question. In the judgment, it is stated:

> "* * * the conscription of labor was accomplished in many cases by drastic and violent methods. The 'mistakes and blunders' were on a very large scale. Manhunts took place in the streets, at motion picture houses, even at churches; and at night in private houses. Houses were sometimes burnt down, and the families taken as hostages, practices which were described by the defendant Rosenberg as having their origin 'in the blackest periods of the slave trade.' The methods used in obtaining forced labor from the Ukraine appear from an order issued to SD officers which stated: 'It will not be possible always to refrain from using force * * *. When searching villages, especially when it has been necessary to burn down a village, the whole population will be put at the disposal of the Commissioner by force * * *. As a rule, no more children will be shot * * *. If we limit harsh measures through the above order for the time being, it is only done for the following reason * * *. The most important thing is the recruitment of workers.' "[1]

Fritz Sauckel, Hitler's Labor Plenipotentiary, stated that "out of the five million workers who arrived in Germany, not even 200,000 came voluntarily."[2] The degrading manner in which the enslaved victims were treated is well epitomized by Sauckel's instructions of 20 April 1942:

> "All the men must be fed, sheltered and treated in such a

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[1] Judgment of the International Military Tribunal, *Trial of the Major War Criminals*, volume I, page 245.

[2] Ibid, page 244.

way as to exploit them to the highest possible extent, at the lowest conceivable degree of expenditure."[1]

And Himmler, in his notorious speech at Posen in October 1943, said:

"Whether ten thousand Russian females fall down from exhaustion while digging an anti-tank ditch interests me only insofar as the antitank ditch for Germany is finished * * *. We must realize that we have six or seven million foreigners in Germany * * *. They are none of them dangerous so long as we take severe measures at the merest trifles."[2]

The defendants, through the instrumentality of Farben and otherwise, not only knowingly participated in the employment of foreign slave labor, but were aggressive in its procurement. For example, Sauckel, who assumed office in March 1942, said:

"I had considerable difficulty when I assumed office in putting a stop to wild recruiting and the understandable independent measures taken by individual large industries or individual large plants such as I.G. Farben to recruit foreign workers." (*Doc. NI–1098, Pros. Ex. 1291.*)

As early as September 1940, numerous foreigners and prisoners of war had already been enslaved in the Farben plants. At Ludwigshafen, for example, of the 10,000 additional workers taken on during the first year of the war, 5,000 were foreigners and prisoners of war. At Dormagen, special regulations had already been issued governing the "conduct" of the Polish civilian workers.

Eight months prior to Sauckel's remark about "wild recruiting," Farben's policy had been stated by the defendant Schmitz, the chairman of the Vorstand:

"The Works must direct their efforts to obtaining the required workers; through foreign workers and prisoners of war, the requirement could in general be covered." (*Doc. NI–6099, Pros. Ex. 1312.*)

And on 30 May 1942, three months after Sauckel took office, Schmitz said:

"The shortage of workers, particularly the skilled workers, has to be made up for by working long hours, and the employment of women, foreigners and prisoners of war." (*Doc. NI–6100, Pros. Ex. 1313.*)

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[1] Ibid, page 245.
[2] Ibid, page 244.

Farben's motto was "production at any cost." Schmitz's order that the Works must endeavor to obtain the required workers among foreigners was aggressively pursued. Farben representatives were sent into all occupied countries to procure workers. As late as March 1943, the Reich Economic Minister was writing Farben for suggestions. Even in this slave traffic, Farben lived up to its traditional reputation for leadership.

The defendant Krauch, as Plenipotentiary General for Special Questions of Chemical Production in the Four Year Plan, was the highest authority for passing on allocations of labor for the chemical industry, including foreign labor, concentration camp labor, and prisoners of war. Krauch, with the aid of the other defendants, prepared the organization and details of the plans of the chemical industry for war mobilization. These plans included provision for the procurement and exploitation of compulsory labor of all types.

On the policy level, the Farben Vorstand "delegated" over-all responsibility for the welfare of its laborers in all its plants to the defendant Christian Schneider as Chief of Plant Leaders. In formulating policy decisions, Schneider consulted with the various plant leaders and reported to the Vorstand. Not a single case has been found in which the Vorstand disagreed with Schneider's recommendations.

In the countries of Western Europe, an effort was made to keep up the pretense of voluntary recruitment through the subterfuge of having a person selected for work in Germany sign a contract. Persons who refused to sign were forced to come to Germany anyhow through the knowledge that their ration cards would be taken away, or that they would be denied work in their homeland, or, if they ran away, that reprisals would be taken against members of their families. Those who came, whether or not they signed contracts, were in effect slaves in the Farben plants. They were not free to change jobs, nor could they go home when they pleased; they did not have freedom of movement, and if they escaped or did not return from leave they were reported by Farben to the Gestapo, which hunted them down and returned them to the Farben plants.

A mimeographed circular letter dated 9 August 1943, from the defendant Krauch addressed to all plant construction and building offices, outlined measures to bring back French workers who had been recruited and who had escaped. Another example is a letter from the Military Commander in Paris to Dynamit-Nobel, advising that a worker, who had broken his contract and had not returned to the plant, had been arrested and transferred

by "special transport" to the labor office. These are samples of the so-called "voluntary" employment of western workers.

Farben was ruthless, but it was successful. In 1941, it already had assigned to it [in Farben plants] 10,000 slave laborers. In 1942, according to Farben figures, the figure rose to 22,000; in 1943 to 58,000; in 1944 to 85,000; and by 1945, it had passed the 100,000 mark. These figures represent only the number of slave workers in Farben plants at any given time and do not reflect the tremendous turnover. The unfortunate victims who obtained their release through death or "exchange" are not considered in the above figures.

B. Farben at Auschwitz

Although Nazi concentration camps had been notorious for some time, the civilized world was shocked anew when it became clear during 1942 that Hitler was actually carrying out his oft-repeated intention to exterminate the Jewish people of Europe. In December, a joint statement was issued by the United States and the European members of the United Nations[1] calling attention to and denouncing this blackest of all crimes. In March 1943, a concurrent resolution of the Senate and House of Representatives of the United States Congress condemned the slaughter of the Jews of Europe and promised punishment to those directly or indirectly responsible for these criminal acts.[2]

Various international conferences were held to decide upon ways and means to stop the slaughter. Inter-governmental committees were created to take action, and in the United States, the President created a special Cabinet board, the War Refugee Board,[3] charged with the responsibility of taking all action consistent with the successful prosecution of the war to rescue the victims of Nazi oppression. By short-wave broadcasts, by pamphlets dropped over Germany from the air, and by many other means, the determination of the civilized world to punish all participants in these acts of savagery was made clear to the German nation.

The terrible story of Auschwitz, in great detail, including reference to the "buna" plant, and the Birkenau gas chambers, and

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[1] Document NI–12268, Prosecution Exhibit 1744, dated 17 December 1942, is not reproduced herein. See 4.

[2] Document NI–12421, Prosecution Exhibit 1745, dated 18 March 1943, is not reproduced herein. See 4.

[3] Document NI–12269, Prosecution Exhibit 1757, (not reproduced herein) a "History of the War Refugee Board," is dated 22 January 1944; Document NI–12545, Prosecution Exhibit 1758, is an affidavit by John W. Pehle, Executive Director of the War Refugee Board describing activities of the Board. See 4.

All 4 documents mentioned above were offered for identification only on 26 November 1947. Objection by defense counsel to introduction in evidence of these documents was sustained by the Tribunal and the documents were rejected.

giving figures concerning the size of Jewish convoys and the number of inmates who died at Auschwitz, was received by the United States War Refugee Board and made public in November 1944.* This was not the first time, of course, that the world had heard of Auschwitz. What was happening there had been known for some time. But this was the first time that so much detail, including particularly the involvement of industrial firms in the Auschwitz program, was made public.

The main camp of Auschwitz (Auschwitz I) was built towards the end of 1940 in a suburb of Oswiecim [Auschwitz], Poland, for 26,000 people. Camp II, Auschwitz-Birkenau, built in 1941, held 86,000. It was divided into two camps, one for male inmates designed to house 46,000, and one for 40,000 women. Auschwitz Camp III, called Monowitz, which will be described in detail at a later point, was built on the I.G. Farben site and held 10,000 inmates. Thus the concentration camps were built to house 136,000 concentration camp inmates. Actually 500,000 were housed there.

In the latter part of 1940, the defendants decided to build a fourth buna factory, and thought it wise to locate the new plant in the East (*Doc. NI–11781, Pros. Ex. 1408*). It was a gigantic project; the plans called for an investment of nearly a quarter of a billion dollars, which was a lot of money even for Farben.

The defendants ter Meer and Ambros, in consultation with the Reich Economics Ministry, agreed to develop the plans, and in January 1941, the defendant Ambros, who had been commissioned to survey Poland for a suitable site, was shown Auschwitz. In February 1941, Ambros described in detail, to Krauch and ter Meer, the results of his investigations, and suggested Auschwitz as a location for the plant. The notes of the meeting state (*Doc. 11113, Pros. Ex. 1414*):

> "It is being considered to get in touch with Reichsfuerer SS Himmler regarding the settlement of German workers in Auschwitz as soon as the initial planning for the buna factory has been clarified."

In his report to Krauch and ter Meer, Ambros had made special mention that the projected plant would be adjacent to the Auschwitz concentration camp, and had pointed out that the availability of inmates of the camp as laborers would be advantageous. Thereafter, the matter was taken up at a meeting of the Farben Technical Committee of 19 March 1941 at which Ambros de-

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* Document L–22, Prosecution Exhibit 1759, was introduced for identification only on 26 November 1947. Objection by defense counsel to introduction in evidence of this document was sustained by the Tribunal and the document was rejected.

scribed the program.[1] On 25 April 1941, the Auschwitz project was approved by the Farben Vorstand, after reports by the defendants ter Meer, Ambros, and Buetefisch.[2]

In the meantime, Farben officials had been carrying on negotiations with Goering and Himmler with respect to the supply of the workers from the Auschwitz Concentration Camp. The defendant Krauch dealt with Goering, and the defendant Buetefisch with the SS. The selection of Buetefisch is of special interest; he was neither a buna specialist nor an expert in labor relations, but he held the rank of Obersturmbannfuehrer (Lieutenant Colonel) in the SS, and it was the SS which would control the furnishing of labor from the Auschwitz camp. Buetefisch was also a member of a small group of industrial leaders and SS officials, known as the "Friends of Himmler" or "Circle of Friends," through which a number of industrial leaders worked closely with the SS, met frequently and regularly with its leaders, and furnished aid, advice, and financial support to the SS. The industrialist members of the Circle were drawn from a member of the largest German business enterprises, including the Friedrich Flick combine, the Vereinigte Stahlwerke, the Dresdner Bank, and others. The group was sponsored by Himmler and included, among other high officials of the SS, Obergruppenfuehrer (Lieutenant General) Oswald Pohl, the Chief of the Economic and Administrative Main Office of the SS, which operated and controlled the concentration camps, including Auschwitz. In 1941, Farben made a contribution of 100,000 reichsmarks to the "Himmler Circle" of which Buetefisch was an active member, and annual contributions in this amount were regularly made thereafter.[3]

The result of the negotiations was a letter, dated 18 February 1941, from Hermann Goering to Heinrich Himmler entitled "Measures of Population Policies for the Auschwitz Buna Plant in East Upper Silesia":[4]

> "I request that the following steps be taken in order to assure the supply of laborers and the billeting of these laborers needed for the construction of the Auschwitz buna plant in East Upper Silesia, which will commence in the beginning of April and which has to be carried out with the highest possible speed:

[1] Documents NI-11827, Prosecution Exhibit 1425 (not reproduced herein), contains the minutes of the meeting of 19 March 1941.

[2] Document NI-8078, Prosecution Exhibit 1433 (not reproduced herein), contains the minutes of the meeting of 25 April 1941.

[3] Document NI-9971, Prosecution Exhibit 1581, contains a list of members of Himmler's Circle of Friends, Document NI-8125, Prosecution Exhibit 1584 is a letter to Himmler concerning contributions made by the Circle of Friends, and Document 12400, Prosecution Exhibit 1585, is a Farben memo noting the contribution made by Farben to the "Himmler Circle."

[4] Document NI-1240, Prosecution Exhibit 1417, reproduced in section IX D, volume VIII, this series.

"1. The Jews at Auschwitz and in the surrounding area must be quickly expelled especially for the purpose of clearing their lodgings in order to billet the construction workers of the buna plant.

"2. Preliminary permission to be given for the Poles in Auschwitz and the surrounding area, who may be used as construction workers, to stay in their present lodgings until the termination of the construction works.

"3. The largest possible number of skilled and unskilled construction workers from the adjoining concentration camp to be made available for the construction of the buna plant. The total requirement of construction workers will be 8,000 to 12,000 men, on the construction lot, according to the speed of work which can be reached.

"I request you to inform me as soon as possible about the orders which you will issue on this matter jointly with the GB-Chemie."

The word "GB-Chemie" [Plenipotentiary General Chemistry] at the end of the letter is the German designation for the office held by the defendant Krauch. In the meantime, negotiations with the SS for labor supply from the camp were proceeding more than satisfactorily. The defendant Duerrfeld, the director and construction manager of the Auschwitz plant, reported to Ambros and other Farben officials late in March that he had talked to SS Lieutenant General Karl Wolff, Himmler's personal adjutant, who had promised a first installment of 700 inmates, as well as an exchange of inmates among the several SS concentration camps, so that the skilled labor would be drawn to Auschwitz. A week later, Duerrfeld reported on extensive discussions with the SS camp leader at Auschwitz, the notorious Rudolf Hoess, who had shown himself "very willing to be of assistance to the best of his ability" and who had promised 1,500 workers during 1941 and more than double that amount for 1942.

On 7 April, a meeting took place at Katowice, a large Polish industrial city near Auschwitz, and the plant was formally "founded." (*Doc. 11117, Pros. Ex. 1430*). The defendants Ambros, Buetefisch, and Duerrfeld were present; Ambros acted as master of ceremonies and commented that: "By reason of, and order of, the Reichsfuehrer SS, far-reaching support is being furnished during the building period by the concentration camp of Auschwitz. The camp commander, Major Hoess, has already started preparations for the utilization of his laborers." Ambros

forwarded to the defendant ter Meer various notes on these meetings, with a letter (*Doc. NO–11118, Pros. Ex. 1431*) stating:

> "Our new friendship with the SS shows gratifying effects. On the occasion of a supper given for us, at which the commandant of the concentration camp was our host, we established all measures concerning the use of the really excellent organization of the concentration camp for the benefit of the buna plant."

Later on, Himmler himself visited the Farben plant at Auschwitz and gave a special order to Hoess to make ten thousand inmates available and to give Farben priority over all other industrial organizations in the region. Construction of the plant proceeded, hampered by the lack of accommodation and facilities in the region, and the low work output of the starved and terrorized inmates of the camp. The SS herded them to and from the plant, and Farben paid the SS for their "services." In October 1941, at a meeting attended by the defendants Ambros and Buetefisch, Duerrfeld reported that

> "* * * under present conditions, the utilization of prisoners cannot be increased. The fencing-in of the plant area has been started and its completion is the prerequisite for increased utilization of prisoners * * *. The prisoners arrive too late at the construction site and they go back too early. In case of fog, guarding them causes difficulty. The work output amounts to about two meters of soil moved per man per day."*

Farben's sense of efficiency was outraged, and it decided to build its own concentration camp close to the plant site to house the inmates assigned to its construction. Farben, through the Technical Committee and the Vorstand, approved approximately 5,000,000 reichsmarks for the construction of the concentration camp Monowitz—Farben's own concentration camp built on its own factory grounds. In the true tradition of concentration camps, Monowitz was surrounded with electrically charged barbed wires, watchtowers, SS guards, etc. The inmates living at the concentration camp Monowitz worked solely for Farben in the construction and operation of IG Auschwitz. The saving of time lost in transportation of inmates to and from work was a good investment.

The significance of these events can be better appreciated after a brief glance at the Auschwitz Concentration Camp itself during

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* Document NI–11127, Prosecution Exhibit 1431, reproduced in section IX D, volume VIII, contains extracts from the minutes of the 12th Construction Conference at Leuna, 7 October 1941.

this period. Auschwitz was no longer just another concentration camp where victims were starved and abused. It had become a very special type of camp. In June 1941, about two months after the "founding" of the Farben Auschwitz buna plant, Himmler himself directed the camp commander, Hoess, to commence the extermination of the Jews confined at Auschwitz. In August 1941, the use of a lethal gas known as Cyclon B was tried experimentally on a group of Russian officers at Auschwitz; the method proved highly successful and Hoess proceeded to exploit it. This decision made Hoess famous as the most monstrous mass murderer in history. Special gas chambers were erected at Birkenau and a series of crematoria were constructed to take care of the corpses. Hoess himself estimated that at least 2,500,000 Auschwitz inmates were executed in the gas chambers and exterminated in the crematoria, and that another half million inmates died from starvation or disease. He added that the total of three million represented about 70 or 80 percent of all the persons who came to Auschwitz, and that the remainder were picked out and used as slave workers for the industries located near the camp. Other estimates of the total deaths at Auschwitz run as high as four million persons; it is clear that the rate of extermination during the years 1941 to 1944 was between 75,000 and 100,000 persons every month.

We will spare the Tribunal at this time further details about the tortures and murders which were in progress at the Auschwitz camp while the Farben buna plant was being built. The defendant Duerrfeld was at the construction site throughout most of this period. He reported regularly to his superiors Ambros and Buetefisch, and a number of the defendants visited the Auschwitz project on many or several occasions. What was going on at the camp was a common topic of conversation in Auschwitz and at the factory, was well-known to everyone in the vicinity, and could not help coming into the knowledge of any man of normal perception who visited the place. Quite apart from the extermination program, the physical appearance of the inmates was ghastly beyond belief. Among the thousands of persons who were brought to Auschwitz to work as construction labor on the Farben plant was a group of about twelve hundred British prisoners, who were held at a small prisoner-of-war camp near the Auschwitz plant. Several of these British soldiers will tell the Tribunal, in due course, what they saw and learned at Auschwitz, and from their testimony and other evidence, it will clearly appear that the story of Auschwitz, as we now know it, was known to many, if not all, of these defendants much earlier,

and that the sights and odors of Auschwitz were readily perceptible at the Farben plant.

As the tens of thousands of unfortunate Jews of Norway, Holland, Hungary, France, Poland, and Greece were herded into Auschwitz, more than sixty percent were determined to be unfit for work and were "selected" for immediate gassing. From the remaining forty percent, the best labor was given to IG Auschwitz. In spite of the careful "selection," the life span of an inmate coming to I.G. Farben Auschwitz was approximately three months. A group of Norwegians, each weighing between 160 and 190 pounds, was assigned to IG Auschwitz in 1942. After six weeks only 10 percent of this group were still alive. The rest of them had died of exhaustion, and the ones that remained alive weighed less than 90 pounds. In two months all were dead.

Inmates who had never performed any hard physical labor were forced to carry in double time hundred-pound cement sacks and when they broke down, they were beaten or kicked by "kapos"* and IG foremen. Those who could no longer get up were left lying on the ground where they fell, and only in the evening, after the working day was finished, were their fellow workers permitted to carry them back to Monowitz. Many of those being carried were no longer alive, but even corpses had to be returned for roll call. Such death caravans were a daily sight at IG Auschwitz.

The mortality was extremely high. From the evidence, it can be estimated conservatively that Farben's concentration camp Monowitz and Farben's buna plant together took the lives of 25,000 persons. The appalling significance of this figure can only be understood when it is known that Farben's employment of inmates never exceeded 10,000 and the average was somewhere between 5,000 and 7,000. In other words, Farben inmates died at the rate of more than 100 percent each year.

Exhaustion, malnutrition, freezing for lack of clothing during open air work, and beatings were the principal causes of death. Of course there were other contributing causes. For example, at Monowitz there were only three hospital wards holding about three hundred beds in 1942, sometimes with two and three patients in one bed. Conditions were so bad that the SS suggested that additional hospital wards be built. But the SS did not have the Farben problem of turning out the most work at the least cost, and Farben turned the request down on the grounds that IG Auschwitz did not have space in Monowitz for sick inmates, but only for healthy ones who were able to work. Later

* Concentration-camp inmate-overseers of fellow inmates.

two additional wards were installed, but these were completely inadequate since, by then, there were 10,000 inmates at Monowitz. Because of Farben's policy, the hospital wards in Monowitz were used only to treat those inmates who could be cured and made fit for work again very quickly.

There were a number of interesting rules such as the "Five Percent" rule. No more than five percent of the total inmates were permitted to be sick at one time. If that percentage was exceeded, "selections" would take place to eliminate the excess. The excess were sent to Birkenau for gassing. Another rule was the "Fourteen Day" rule. Inmates were admitted to the hospital only if it was thought they could be cured and returned to work within fourteen days.

Thus, those who were worn out or otherwise unable to work because of sores, fractures, or other slow-healing incapacities, were "selected" for gassing. Those who were "selected" were thrown on the truck and driven through IG Auschwitz on their way to extermination at Birkenau. Inmates who worked at IG Auschwitz worked under the constant threat, often repeated by the IG foremen and kapos, that if they did not work hard enough and well enough, they would be gassed.

In addition to the kapos and foremen and guards provided by the SS, Farben had its own espionage system within the camp for those inmates who did not comply with all the rules. Those who violated the rules, such as being caught smoking or warming their hands during working hours, were reported to the SS for appropriate punishment. This punishment often consisted of beatings, up to twenty-five double strokes. Full punishment was rarely given since, in most cases, the victim collapsed before the full twenty-five strokes were completed. The Farben management received reports showing the number of inmates working at the camp, the number of inmates being transported to concentration camp Auschwitz, the number of inmates confined in the hospital wards in Monowitz, and the number of inmates to be fed daily.

A hospital book from the SS records at the Monowitz Concentration Camp contains a record of Monowitz inmates who were cleared through the Farben hospital at Monowitz during the year 1943.* According to these records, 15,000 inmates at the Monowitz Concentration Camp entered the Farben hospital during this year. The book shows the name of each inmate, the date he entered and the date he departed—dead or alive. Those who died in the hospital are identified by a cross in the column headed

* Document NI-10186, Prosecution Exhibit 1493, not reproduced herein.

"remarks." Seven hundred and fifty patients died in 11 months in 1943. Those who were dispatched from the hospital to Auschwitz or Birkenau are identified by the words "nach Auschwitz" and "nach Birkenau." This meant death by extermination in practically every case. "Nach Auschwitz" meant that they were sent to the main camp at Auschwitz because they were unfit to work at the buna factory, it being notorious that any such inmates returned to Auschwitz would be sent in due course to the gas chambers. "Nach Birkenau" meant that the inmates were sent directly to the gas chambers. Over 2,500 inmates were dispatched from the hospital for extermination.

The true meaning of the foregoing figures cannot be fully appreciated unless it is realized that only the healthiest and strongest of the millions that passed through Auschwitz were accepted at Monowitz, and that the vast majority of "selections" for extermination were not made at the hospital but at the gates of the plant and in the barracks. These latter selections weeded out those no longer fit to work, so that only those who had an excellent chance for a quick recovery were even permitted to get into the hospital.

The same general attitude was displayed by Farben towards its own foreign slave laborers. In the minutes of the meeting of officials of IG Auschwitz, the labor situation is described as follows: "The Croats allocated seem adequate * * * Polish forced laborers were utilized only a few days a week, therefore judgment not possible * * * Ukranian women very qualified for lifting earth." Farben's approach to the problem of sickness among its workers reveals its fundamental concept of the workers as mere tools. Even in the case of British prisoners of war, who were treated far better than any others, Farben's attitude was arbitrary and rigorous. Farben laid down the rule that only 3 percent of the total strength were permitted to be sick. Farben doctors regularly visited the British prisoner-of-war camp to review the decisions made by the British camp doctor as to those who were unfit to work. In perfunctory examinations averaging less than 30 seconds per man, they would decide that men who were already declared unfit by the British physician were, in fact, fit. To enforce its order to work, Farben would bring Wehrmacht squads to the British camp, line up those whom the Farben doctor had declared fit, including many who were still confined to bed, and march them off to work under armed guard.

We think that any further description at this time would be unnecessary, and any effort at emphasis would be superfluous. The facts will be only too plain. In conclusion, we need only remind the Tribunal that in July 1943, when these things had

been going on for over two years, the defendant Krauch snatched at Himmler's hint that the SS might "aid the expansion of another synthetic factory * * * in a similar way as was done at Auschwitz, by making available inmates" of Himmler's camps. Those who were "grateful" for the sponsorship and assistance of Himmler are fortunate that they are called to account in a court of law; their "sponsor" was accustomed to use very different methods.

C. Criminal Medical Experiments

In the field of scientific research, Farben's desires for dominance and control showed the same disregard for human life and human values as in other fields. With the advent of World War II, Farben recognized the great opportunity of expanding the use of chemicals in the treatment of disease. The masses of Russian prisoners of war, and countless inmates of Nazi concentration camps, were available as human subjects for experimentation with various Farben chemicals. It was not particularly important to Farben that many of their drugs had not previously been tested and that others were only in the laboratory stage. The supply of victims was endless.

In the field of pharmaceuticals, the defendant Hoerlein had over-all supervision and control as well as final responsibility. All activities of the Farben plants involving pharmaceuticals were under his control, and it was Hoerlein who reported to the Vorstand. Apart from this, Hoerlein was charged with direct responsibilty for the Pharmaceuticals Department of I.G. Farben, Leverkusen. The production of pharmaceuticals fell within the ambit of Sparte II, headed by ter Meer, and many of the plants producing drugs were in the Works Combine Main [River] Valley, headed by Lautenschlaeger.

When, in December 1941, the SS and Wehrmacht decided to embark upon a series of typhus experiments in order to develop typhus vaccines, Farben was represented at the meeting by Professor Demnitz, the defendant Lautenschlaeger's subordinate at Farben's Marburg plant. Before this meeting, which ushered in the whole series of now notorious Buchenwald experiments, Farben was already involved in experimentation on concentration camp inmates and Russian prisoners of war. In August 1941, in a letter addressed to his "chief" at Leverkusen, Dr. Vetter—a member of the SS who had joined Farben's Leverkusen staff in 1938 and who went on active duty with the SS in 1941—wrote that he is now "in one of the largest and best equipped concen-

tration camps."[1] He stated further: "As you can imagine, I have ample opportunity of experimenting with our preparation." The Farben reply from Leverkusen, signed by the defendant Hoerlein's immediate subordinate, Dr. Mertens,[2] states:

> "We are sending large quantities of the requested preparation to you * * *. Anything you may need in the future will be delivered to you through the Sales Organization Bayer, Munich. If they cannot furnish the required amount, we will take care of it directly."

Subsequent correspondence between Dr. Vetter and Dr. Mertens reveals that Vetter assiduously carried out the requested experiments and regularly reported the results to Leverkusen.

For the present, we will confine ourselves to illustrations taken from the field of typhus experiments in the Buchenwald Concentration Camp. Following the invasion of Russia in 1941, typhus became a serious threat to the Wehrmacht. The use of typhus vaccines was one of the primary methods in meeting that threat. Handloser, Chief of the Army Medical Inspectorate and later Chief of the Medical Services of the Wehrmacht, wrote in November 1941 to Conti, the Reich Health Leader, suggesting that the production of typhus vaccines be placed in the hands of the large-scale pharmaceutical industries. Farben was prepared to answer this call by the production of vaccines and therapeutic drugs. Farben was already producing, in its Behring Works at Marburg, the so-called Cox-Haagen-Gildemeister typhus vaccine which was produced from egg yolks. The protective qualities of this vaccine, however, were not regarded as having been sufficiently proved and it was therefore considered necessary, before increasing production, to establish its efficacy. On 29 December 1941, a conference was held in connection with this problem in which Handloser, Conti, and Mrugowsky, of the Hygiene Institute of the Waffen-SS, participated. At this conference it was decided that the typhus vaccine from egg yolks was to be tested on human beings to determine its efficacy. On the same date, another conference was held which discussed the same problem. This conference was attended by officials of the Reich Ministry of the Interior and the Army Medical Inspector-

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[1] Document NI-9402, Prosecution Exhibit 1692, not reproduced herein.

[2] Document NI-9403, Prosecution Exhibit 1694, a letter from "Scientific Section I" of Bayer to Dr. Vetter at Dachau, was signed by Dr. Luecker and Dr. Koenig. Dr. Mertens' signature does not show on the document.

ate, and by Zahn, Neumann, and Dr. Demnitz of Farben's Behring Works. The minutes of this conference state that:*

> "The vaccine which is presently being produced from chickens' eggs shall be tested for its effectiveness in an experiment." For this Dr. Demnitz will contact Obersturmbannfuehrer Dr. Mrugowsky.
>
> "If this Behring Works vaccine is proved to be effective, the production capacity of the Behring Works in Marburg shall be essentially increased."

As a result of these conferences, the murderous typhus ward at the Buchenwald Concentration Camp was set up under the direction of Mrugowsky, of the Hygiene Institute of the Waffen-SS, and his subordinate Dr. Ding, who actually performed the experiments there. On 6 January 1942, the experiments began with the vaccination of 135 concentration camp inmates with four different vaccines, two of which were produced by the Behring Works of Farben. Early in March 1942, all of these persons, plus an additional ten inmates who had not been previously protected by vaccination, were artificially infected with a virulent typhus virus. The experimental series was concluded in April 1942 with five deaths, two of which were from the groups vaccinated with the Behring vaccines. A report on this experimental series was sent to Dr. Demnitz of the Behring Works Marburg, among others.

Farben continued to use the facilities available at Buchenwald for further criminal experiments to test other drugs. In September 1942, the defendants Hoerlein and Lautenschlaeger were urging Mrugowsky to test the therapeutic effect of Preparation 3582, "Acridine" and methylene blue on typhus. In January 1943, 47 inmates were artificially infected, 40 of whom were to be treated with Acridine and methylene blue after inception of the disease, and seven of whom were to be used as controls without any treatment. This experiment was regarded as a failure because the virus used for artificial infection had become attenuated and did not cause typical typhus among the experimental subjects. In spite of that, one of the subjects died.

In order to perform the experiments requested by Farben,

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* Document NO–1315, Prosecution Exhibit 2255, contains the minutes, or report of Ministerialrat Bieber (Reich Ministry of Interior) concerning this conference; Document NI–12181, Prosecution Exhibit 1606 is a "File Note" concerning the same, signed "Zahn" (I. G. Farben, Leverkusen) dated 6 January 1942; Document NI–12183, Prosecution Exhibit 1607, is the more detailed report of Dr. Denmitz (I. G. Farben, Marburg) dated 31 December 1941. None of these documents is reproduced herein.

Ding applied a sure method of artificial infection by means of the intravenous injection of typhus-infected fresh blood. This method of infection was highly successful, and in April 1943, experiments were again performed with Acridine and Rutenol, which were made available by Farben. Of 39 inmates used as experimental subjects, 21 died. It is significant to note that before this experiment was finally executed, Dr. Ding conferred with the defendant Lautenschlaeger, and Dr. Weber and Dr. Fussgaenger at I.G. Farben Hoechst. I.G. Farben Hoechst received a full report on those experiments.

Not only was Farben fully apprised of what was going on at Buchenwald, but every division of Farben which had any interest was informed of the activities and the experiences of other divisions of Farben. The close coordination and integration of information in the giant Farben firm is nowhere better illustrated than in the pharmaceutical field. What happened at I.G. Farben Hoechst was immediately transmitted to I.G. Farben Elberfeld, I.G. Farben Marburg, and I.G. Farben Leverkusen; similarly, the experiences of I.G. Farben Leverkusen went the rounds via letters and interoffice memorandums to the remainder of the Farben empire.

The prosecution will show beyond any reasonable doubt that the responsible officials of I.G. Farben, particularly the defendants Hoerlein and Lautenschlaeger who were directly in charge of pharmaceuticals for I.G. Farben, consistently promoted and encouraged the testing of Farben chemicals on the helpless victims of concentration camps although fully aware of the conditions under which these experiments were being performed.

The prosecution is cognizant of the fact that it is permissible to experiment on human beings under circumstances which are neither illegal nor immoral. But the one fundamental requirement, without which all such experiments become not only illegal but completely unjustifiable and inexcusable, is the requirement that there be consent on the part of the persons upon whom the experiments are to be performed. This principle has been clearly enunciated in the judgment of Military Tribunal I in the medical case recently concluded in this courtroom.* The prosecution in this case will show that the concentration camp inmates used in the experiments were given no choice whatever. Farben participated in the experiments in Buchenwald and other concentration camps, although its officials knew full well that the miserable victims had not volunteered for the murderous experiments to which they were subjected.

* Judgment, *United States vs. Karl Brandt, et al.*, (volumes I–II, this series) volume II, page 181.

CONCLUSION

GENERAL TAYLOR: We have concluded the outline of the evidence which the prosecution will offer under the several counts of the indictment, and I have only a few more words by way of conclusion. Each of these defendants is charged with criminal responsibility for the crimes charged in the indictment because of his individual participation in such crimes. If any of the defendants are to be found guilty, it must be because, in the words of the Judgment which was rendered on 19 August 1947, by Military Tribunal I:

> "* * * the evidence has shown beyond a reasonable doubt that such defendant, without regard to nationality or the capacity in which he acted, participated as a principal in, accessory to, ordered, abetted, took a consenting part in, or was connected with plans or enterprises involving the commission of [the crimes] * * * which are the subject matter of these counts. Under no other circumstance may he be convicted."*

The defendants were all responsible and highly placed officials of the I.G. Farbenindustrie. But the corporate entity, the legal person, I.G. Farben, did not commit crimes. It was merely the instrumentality of the men who guided and directed it. In determining who were the men who furnished this guidance and direction, we are driven inevitably to the members of the Vorstand and to other leading officials of the corporation.

In outlining the evidence today, we have repeatedly directed the Tribunal's attention to documents or other evidence to be offered, from which the direct participation of particular defendants in the entire complex of criminal acts is to be ascertained. In the course of the trial, these and other documents will give the Tribunal ample basis for determining the scope of direct activity by each defendant, and the principal fields in which each of them took initiative and exercised direct management.

But, over and above the responsibility of each defendant in his own primary sphere of activity, the over-all responsibility of the twenty defendants who are members of the Vorstand is inescapable. No doubt the Tribunal will wish further discussion of this point after the evidence has been taken, and when the documents which establish the responsibility of the Vorstand and show what action it took have been spread upon the record. For the moment, we seek only to remind the Tribunal that the members of the Vorstand were the members of the actual managing board, the agency charged with responsibility for determination of policy

* Ibid, page 184.

and the management of the concern, and the agency which, in fact, did make policy, and which, in fact, did manage the concern. The Vorstand was composed of individuals who saw, heard, planned, and acted. Although as a matter of administrative operation, individual members were delegated broad authority in designated fields, they were required by the bylaws to submit all important matters coming within their own spheres to the entire Vorstand for decision. The evidence clearly establishes that this practice was followed as a matter of course, and although there was an area of discretion which authorized an individual Vorstand member to act on his own responsibility where urgency required, that member nevertheless was required to report at the next session of the full Vorstand about the matter in which he took independent action.

Knowledge of the many details involved in the execution of all matters of general Farben policy was certainly not known to every, or in fact, to any individual Vorstand member. The field of play was far too vast. But the matters we have set forth as the principal strands in this network of crime were known to the defendants of the Vorstand, either because they participated in policy making, in planning, in execution, or because they approved and ratified, upon learning of the acts of other Vorstand members or of other Farben officials.

Moreover, even where a defendant may claim lack of actual knowledge of certain details, there can be do doubt that he could have found out had he, in the words of Military Tribunal No. 1 made "the slightest investigation." Each of the defendants, with the possible exception of the four who were not Vorstand members, was in such a position that he either knew what Farben was doing at Leuna, Bitterfeld, Berlin, Auschwitz, and elsewhere, or, if he had no actual knowledge of some particular activity, again in the words of Military Tribunal No. 1, "occupying the position that he did, the duty rested upon him to make some adequate investigation." One can not accept the prerogatives of authority without shouldering responsibility.

The four defendants who were not Vorstand members were named in the indictment because they played a particularly crucial role in the crimes charged in the indictment. The defendant Duerrfeld, as director and construction manager of the Auschwitz plant, is heavily implicated in the use and abuse of slave labor; in spoliation activities in Poland; and consequently in the waging of aggressive war. The defendant Gattineau was, among other things, the conduit through which other Farben officials were placed in appropriate contact with important Reich and Nazi Party leaders to facilitate the execution of the criminal

program. For six crucial years, he directed Farben's Political-Economic Policy Department [WIPO], which was officially charged with maintaining liaison with the Reich and Party agencies and played an important role in Farben's preparations for aggressive war. After 1938, as manager of one of Farben's largest explosive plants in occupied territory, he participated in the procurement and abuse of slave labor and in spoliation activities. The defendant von der Heyde, apart from his membership in the SS, an organization declared criminal by the International Military Tribunal, was implicated in the same general activities as Gattineau. The defendant Kugler was one of Farben's most expert agents in the planning and consummation of spoliation in numerous occupied countries, and thus played a major role in the waging of aggressive war and in the unlawful plundering of occupied territories. The participation of these four defendants in the activities described in the indictment is so direct as to require no further elaboration.

I have emphasized the responsibility of the defendants as officials of I.G. Farben because the greater part of the crimes charged in the indictment was committed by the defendants in the exercise of their functions as Farben officials. But the defendants are not charged only as Farben officials, and they are responsible for their actions in whatever capacity such actions were taken by them. Most of the defendants held highly responsible governmental or quasi-governmental positions. The outstanding example, but by no means the only one, is the defendant Krauch. At least as early as 1936, Krauch was a highly important Reich official and, after 1938, when he became one of Goering's chief deputies, he assumed principal responsibility as a governmental official for marshaling the chemical industry in preparation for invasions and aggressive wars. Krauch's responsibility for his actions as a governmental official is independent of, and not derivative from, his responsibility as a member of the Vorstand and, later, the Aufsichtsrat, of I.G. Farben.

Indeed, the defendants' dual status as managers of an enormously powerful private enterprise and as officials of the Third Reich, underlines a question which inevitably shapes itself in the mind when viewing this case as a whole. Where did the loyalties of these men lie, and what ideal, if any, did they acknowledge?

Some light is shed on this question by an interesting series of meetings which took place in 1944 and 1945, in the course of which the defendants endeavored to formulate plans "in case the war was lost" in order "to escape a seizure of available assets of IG" and "to keep foreign selling companies running during the

period in which the communications with them would probably be broken." The defendant Ilgner suggested a plan to "sell" all Farben's important patents in Germany to camouflage companies in one of the neutral countries, in order to prevent seizure of the patents by Allied authorities if Germany were occupied. At the same time, the defendant von Schnitzler was concerned about possible confiscation of the stocks of merchandise of the various Farben sales agencies throughout Europe; he was worried that they might have to close for lack of merchandise, since, if Germany lost the war, communications would be interrupted and, at least for a time, Farben would not be able to deliver any goods to foreign countries.

Certainly one cannot say of these defendants that they do not look far ahead, but one cannot avoid the impression that their field of vision is phenomenally narrow. In 1945, after Germany's defeat, the defendant von Schnitzler expressed himself as being certain that the French chemical industry would be only too glad to resume its cartel relationships with Farben and, apparently encouraged by the manifestations of astonishment which this observation evoked, and taking them for indications of real interest in the idea, he promptly volunteered to elaborate more fully the "propositions which were adapted to the present situation." And at about the same time, the defendant Ilgner, in a letter to his former associates, stated:

> "In any case, we should try immediately to make all preparations so that the entire setup is ready to operate again as soon as the American authorities decide how and to what extent the IG is to work in the future."

It is indeed a strange lens through which the defendants view the world. One might marvel at such sublime insensitivity were it not joined to such calculated purpose, brilliant capacity, and ruthless contempt for the world and its laws. A touch of power, and they are warped beyond redemption. The creative talents with which they were endowed were perverted, and their science became a malignant alchemy. There is no loyalty in these men —not to science, nor to Germany, nor to any discoverable ideal, and Germany can only be the better for putting their actions to the test of law and truth.

C. Opening Statement for Defendant Krauch*

PRESIDING JUDGE SHAKE: The sessions of today and tomorrow, in accordance with the prior announcement of the Tribunal, will

* Tr. pp. 4711–4720, 18 December 1947. The closing statement for defendant Krauch is reproduced in section XI C, vol. VIII, this series. The final statement of defendant Krauch to the Tribunal appears in section XII B 1, volume VIII, this series.

be devoted to the hearing of the opening statements of counsel for the defendants. In view of the limitations of time that are placed upon counsel for this purpose, the Tribunal respectfully requests that there be no interruptions of matters unless they be of extreme emergency. We desire to accord the counsel the full complement of time contemplated by the rules for their opening statements.

The Tribunal is now ready to hear the opening statements of counsel for the defendants.

DR. BOETTCHER (counsel for defendant Krauch): Your Honors: At the very outset the defense will have to decide the difficult question of whether its plea ought to be adjusted to the truly mammoth dimensions of the indictment. Will it have to follow the lines of the indictment, with its exaggerations made for sensational purposes, or ought it to follow strictly impersonal, maybe even sober, lines? I have, after due consideration of the character and the wishes of Dr. Krauch, decided upon taking the latter course, and I consider myself very fortunate, as a defense counsel, to defend a client whose attitude is in conformity with my own feelings. I have, therefore, chosen a way of stating the evidence in this case which, in its character, tenor, and scope will restrict itself to the absolutely essential, deliberately avoiding all attempts at creating a sensation.

In his opening statement General Taylor put special emphasis on the accusation contained in the indictment that the defendant Dr. Krauch is among those who bear the greater part of responsibility for the fact that humanity was afflicted by the most destructive and catastrophic war history has ever known. He has accused him of mass enslavements, wholesale plunder, and mass murder. My presentation of evidence will aim at disproving these terrible accusations in every respect. I shall show in detail that, instead of being an ambitious and ruthless industrial magnate, Dr. Krauch is an honorable Christian, a simple man, a research-worker and scientist, conscious of his responsibilities, who never committed an offense but devoted his whole life to technical and scientific progress—and this not only for the benefit of Germany but also for that of other countries, not least for that of the United States of America.

Under paragraph 19, the indictment states the following: "The IG synchronized all of its activities with the military planning of the German High Command." It also specially refers to the "Vermittlungsstelle W" and, in connection with this, to the activities of the defendant Dr. Krauch. It further states that: "The IG collaborated in the drawing up of the Four Year Plan and took part in directing the economic mobilization of Germany for

the war." Contrary to this, my own thesis is that the activities described in paragraphs 19 of the indictment, especially those of the defendant Krauch in the "Vermittlungsstelle W", and the participation in the Four Year Plan, did not constitute activities in preparation for an aggressive war or participation in the waging of a war of aggression. I shall prove this thesis by examination of the defendant Krauch, whom I shall call to the witness stand for that purpose.

I shall make it a special point in my argumentation to describe the attitude of the defendant Krauch towards the official authorities of the National Socialist government from 1933, as well as the development of his activities, and for this purpose I shall make use of the defendant's own statements and of other evidence.

It will be seen that the establishment of contacts with the official authorities of the National Socialist government was nothing out of the ordinary, as the IG had made it a habit, even before 1933, to maintain connections with the government; for on the one hand, the IG was interested in being kept informed of the trend of the economic policy of the government, whereas, on the other hand, each government office had an interest in being kept informed about the economic situation of an enterprise such as IG. However, these contacts were established by Dr. Krauch, not for some political reason or other, but because Dr. Krauch was an internationally recognized authority in the field of hydrates, nitrogen, buna, etc. The beginning of his preparatory work, his experience, and his international connections date back to a time 20 years before 1933. The evidence will prove that Krauch was always guided in his actions by a desire to avoid, by proper direction of industry, a repetition of the economic events of the years between 1929 and 1933, which proved so disastrous for the working classes. Therefore, he welcomed the economic boom brought about in the year 1933 by the employment program of the new government. That his employment program served, to a degree, the armament and rearmament of Germany will not be disputed here. The evidence will, however, provide solid foundation for the view that such knowledge cannot be regarded as identical with the intention to start a war, and certainly not with that of starting a war of aggression. It will also be shown that Dr. Krauch's joining the Raw Materials and Foreign Exchange Staff in 1936 and, later on, the Four Year Plan, was prompted by the same considerations.

I shall proceed to prove this, both as regards the actual facts, and as regards Dr. Krauch's state of mind, and I shall group my evidence as follows:

1. Evidence of facts showing that Dr. Krauch had no knowledge of any intentions of aggression and that he could not have had such knowledge since he did not belong to the close circle of Hitler's confidants in the sense of the IMT judgment;

2. Evidence of facts from which it becomes apparent that, as far as Dr. Krauch's inside knowledge went, Germany was not at all prepared for an aggressive war;

3. Evidence of individual facts from which it becomes apparent that Dr. Krauch could not have acted as he did if he had wanted to prepare Germany for an aggressive war;

4. Clarification of the Four Year Plan in order to show that it did not constitute a plan for the preparation and waging of aggressive wars, but that, in addition to rearmament, it concerned itself to a considerable extent with the so-called civilian sector. In this connection Dr. Krauch's position as Plenipotentiary General for Special Questions of Chemical Production within the Four Year Plan will have to be clarified, a matter which the prosecution has completely neglected up to date.

The prosecution calls Dr. Krauch the right hand of Goering. However, Krauch was in charge only—and to prove this I shall put a table of organization of the Four Year Plan before you—of one of twenty offices of the Four Year Plan which were coordinated and coexistent. I do not suppose that I will be expected to produce counterevidence to the effect that Goering was not a man with more than twenty right hands. In accordance with the predilection for bombastic titles inherent in Nazi ideology, Krauch was given the title of Plenipotentiary General for Special Questions of Chemical Production, but the evidence will prove that, in spite of this title, he had no part in the exercise of any powers or authority. He was an excellent general expert of high standing, but even this not for the whole field of chemistry, but only for some special fields in which he had been known for decades for his expert knowledge. However, all that an expert has to do is to pass on the suggestions made by others. As shall be proved by the evidence, others had to make the decisions and give the orders.

As far as the close connection is concerned which, according to the indictment, existed between the IG and the activities of Dr. Krauch in the Reich Office for Economic Development (Reichsamt fuer Wirtschaftsausbau), attached to the Four Year Plan, I shall prove that Dr. Krauch's activities on behalf of the Reich Office for Economic Development, and as Plenipotentiary General for Special Questions of Chemical Production, were kept strictly apart from his IG activities. If only for reasons of personal integrity, Krauch in his official actions stuck to complete

neutrality towards the IG. This is emphasized by the fact that from 1936 on, Krauch was only a passive and no longer an active member of the Vorstand. Nor did he, in practice, exercise his function as chairman of the Aufsichtsrat after the spring of 1940, but always left it to his deputy.

If Krauch was prepared to collaborate with the government, he did this neither for reasons of ambition, nor from a desire for recognition, nor for the sake of honors of titles, but from a feeling of personal responsibility towards industry, and urged on by a man who was anything but a friend of the National Socialists, i.e., the outstanding scientist, Carl Bosch, who was at that time chairman of the Aufsichtsrat of the IG. The memory of well-known incidents in other countries, where proved and experienced industrial leaders had also put their services at the disposal of their government for certain purposes—they figure in history under the caption of "one dollar men" [dollar-a-year-men] —helped him to make up his mind when he took over the duties of an adviser for the Four Year Plan. A description of these facts in particular, and his reasons for taking over this work in the Raw Materials and Foreign Exchange Staff and the Four Year Plan, will be the focal point in my presentation of evidence, since this shows that it was not ambition for power, not a desire for authority, which prompted Krauch, but that his aim was rather, according to Carl Bosch's own words, "to rescue science from Hitler" and to keep away Party men who influenced the industry in a manner which did not correspond to reasonable economic aims.

I will then express my opinion with regard to count two, and show that Dr. Krauch—

(1) neither in his position as director of the Reich Office for Economic Development, nor as Plenipotentiary General for Special Questions of Chemical Production, participated in the actions dealt with there and termed criminal by the prosecution;

(2) and that the same also applies to him as a member of the Farben administration. I must, in this connection, mention again that from 1936, Dr. Krauch was no longer a member of the Vorstand, nor did he, in practice, exercise any authority as chairman of the Aufsichtsrat. Moreover, I shall show that, on the contrary, he actively interceded on behalf of the economy of the occupied countries. I shall only cite two illustrations which will be dealt with during the presentation of evidence; one was his effort to protect the nitrogen industries of Belgium, Northern France, and Holland from the dismantling intended by the authorities, and the other, to prevent the removal of the large scientific laboratory which belonged to the Shell concern

in Amsterdam. In both cases, Dr. Krauch successfully opposed, with all his might, measures of which he disapproved and which might have been designated as robbery and spoliation.

In the course of my further presentation of evidence, I shall deal with the question of employment of foreign labor and concentration camp inmates, and I shall show that Dr. Krauch had no criminal responsibility whatever. I have already stated that an essential point of my presentation of evidence will consist in putting the competence and authority of Dr. Krauch back on their proper level as against the assertions of the prosecution, to wit: that he was a scientific expert of the government for special questions of chemical production under the Four Year Plan, but his activities as Plenipotentiary General for Special Questions of Chemical Production never entailed any powers or authority in respect to the recruitment, allocation, or assignment of workers.

It will be the aim of my presentation of evidence to clarify Dr. Krauch's activities in this connection. In this field, too, it was his job to submit his expert opinion on the numbers and quotas of workers which had been requested by other offices as necessary for certain building projects; he had to give his opinion on the assignment of workers—but never to assign them himself —in accordance with the various grades of priority fixed by authorities superior to him, in exactly the same way as he had to give his opinion on which materials, what kind of materials, what sort of construction, etc., were necessary and appropriate. The question of the allocation of labor itself was the concern of the labor allocation authorities. If, in addition, as evidence will show, he instituted social care for the workers employed in the large building projects for which he acted as adviser, then he did so, as I shall prove in my presentation of evidence, for humanitarian and humane reasons, for, under the pressure of the steadily increasing economic difficulties of the war years, he was consulted about manifold problems; in particular, regarding the housing, feeding, and clothing of the workers employed on the building projects approved by him. Dr. Krauch regarded it as his duty to intervene and to organize an exchange of experience; [and I shall show] that he did this for economic reasons as well, but, above all, for purely humane reasons. This welfare organization will, therefore, constitute a further point of my presentation of evidence.

The enforced employment of workers also plays a great part in the presentation of evidence by the prosecution. I shall show that Krauch clearly recognized this problem. His whole mentality was opposed to such employment under coercion, since for him,

as a scientist, there existed only the ethics of voluntary work. He advocated this principle in every possible way. On the basis of his experience gained 20 years before during reconstruction of the destroyed Farben plant at Oppau, he introduced, at an early date, a system of recruiting, on a voluntary basis, the workers of entire firms—a procedure called "firm allocation." As my presentation of evidence will show, Dr. Krauch continued to maintain this principle when the program of the Plenipotentiary General for Labor Allocation concerning the recruitment of workers under coercion was started. The presentation of evidence will show that Dr. Krauch, even after this date, successfully continued the so-called "firm allocation" against the tendency of official authorities. In this connection, I shall be able to prove that Dr. Krauch in no way participated in the drafting of the laws for the compulsory labor allocation program, nor in the enforcement of these laws. With regard to all these questions, his position was on an intermediate level which had nothing whatever to do with such fundamental decisions as making suggestions, on the one hand, or giving orders, on the other.

Dr. Hellmuth Dix, attorney-at-law, will deal with the general questions of labor allocation.* In order to avoid overlapping and to shorten the proceedings, I shall not deal with these general questions unless I have to add something in particular for the defense of my client after the presentation of evidence by Dr. Hellmuth Dix.

Finally I shall show that Dr. Krauch even made use of his position as Plenipotentiary General for Special Questions of Chemical Production to prevent or mitigate measures which were incompatible with his conscience and which were adopted by National Socialist offices against Jews, scientists, ecclesiastical, and scientific institutions.

I shall have described here a case of Dr. Krauch's successful intervention when he heard of abuses in connection with the treatment of concentration camp inmates—outside of Farben, as I wish to emphasize; further, I shall refer to his assistance to Russian scientists who had fled from the Ukraine—the steps he took not only preserved their physical, but also their intellectual, existence.

Summarized, my presentation of evidence will be as follows.

The indictment is swamped by a flood of facts. You must look beyond the facts for the human being, and the grave charge which I have to raise against the prosecution is that it has for-

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* See the opening statement on behalf of the defendant Schneider by Dr. Hellmuth Dix, reproduced below in section III J.

gotten the human being in these proceedings, which, as the prosecution asserts, have been instituted for the sake of humanity. It is the difficult, but at the same time noble, task of the defense to picture the man Krauch and to prove that Krauch is not a supporter of ruthless and unscrupulous aggressive war, no robber and no plunderer, no cold-hearted slave dealer, and no slave driver. The phrases and exhortations of the prosecution may be effective for political propaganda, but they have nothing to do with proof of criminal acts. As has already been stressed, I shall, in brief, give the essential features of the picture for the presentation of evidence; and the Tribunal will certainly realize that, in view of the gravity of my task, I cannot leave out any significant small details.

I do not wish to conclude this opening statement without recalling the moment which, in Dr. Krauch's and my own opinion, was the most touching one in the course of the sessions up to now—when Dr. von Keller, on the occasion of the interrogation of the witness Szpilfogel, expressed deepest regret for all the suffering to which innocent people had had to submit during those twelve years. Dr. Krauch and I, myself, have taken those words deeply to heart, and the more confident we are of the result of our presentation of evidence, the more are we in a position to conclude this first opening statement of the Farben case with the words: "In reverence we bow to the unfortunate victims of these unhappy twelve years."

D. Opening Statement for Defendant Schmitz*

DR. RUDOLF DIX (counsel for defendant Schmitz):

Your Honors: So-called trials of war criminals have taken place before—after the First World War, before the German Supreme Court. An English lawyer by the name of Claud Mullins attended these trials as an observer. In 1921 he wrote a treatise on them entitled: "The Leipzig Trials." I quote from this treatise:

> "The War Criminals' Trials were demanded by an angry public rather than by statesmen or the fighting services. Had the public opinion of 1919 had its way, the trials might have presented a grim spectacle of which future generations would

* Tr. pp. 4721–4729, 18 December 1947. The closing statement on behalf of the defendant Schmitz is reproduced in section XI D, volume VIII, this series. The final statement of defendant Schmitz to the Tribunal appears in section XII B 2, volume VIII, this series.

be ashamed. But, thanks to the statesmen and the lawyers, a public yearning for revenge was converted into a real demonstration of the majesty of right and the power of law."

Today, the danger of passion and prejudice trying to dim the eyes of the judge in his search for truth and justice is greater still. Things too horrible have been done! Too much has human dignity been insulted. The natural and justifiable outcry of human dignity insulted, however, is joined by its ugly companions, such as the voice of the calumniator who tries to stir up the troubled waters of passion for his own advantage; of the man incriminated politically, criminally, or morally, who tries to shift his guilt to the shoulders of others and is on the lookout for scapegoats; of the political opportunist who is not concerned with truth and justice, nor with the welfare of humanity, or of his own country, but who is only concerned with his political objective, no matter by what means he thinks he can attain it—even if those means do violence to one of the most valued protected interests of his fellow-men; namely, their honor. These ugly companions are further joined by one of the strongest and most dangerous powers, i.e., prejudice. All these powers inimical to the light of truth, are sources of public opinion, which is not only not infallible, but, in a given case, may be a very dangerous and ruthless dictator. This dictator can not only destroy the independent administration of justice but, as we have learned, whole democracies. Democratic Germany of the Weimar Republic was destroyed by the ballot of an electoral system that was democratic to the core—for up to 30 January 1933, elections were undoubtedly free. Misguided public opinion is thus a sinister dictator, and it is one of the noblest and most important tasks of independent justice, also from the point of view of national policy, to stop this poisoning of wells in order to find the straight path of truth which leads to justice.

Your Honors, you have been called upon to pronounce judgment in the greatest economic trial of all times, and that at a time when the picture of the defendants' characters is distorted by biased feelings of love or hatred. The prayer is offered from the bottom of our hearts that Heaven may bless your verdict.

I appear in this trial of the members of the Farben Vorstand for their *primus inter pares,* the chairman of the Farben Vorstand, Schmitz.

As the previous speaker has announced, defense counsel have split the defense material into a number of different subject-matters, each to be presented by a special counsel, without however, depriving any individual counsel of his right to add, as his duty

may direct him, material of his own to such presentation in the course of the taking of evidence. Right at the start, I would like to make an observation concerning the purpose of the so-called counterproof, that is to say, the proof to be furnished by the defense. This counterproof logically presupposes at least consistent proof on the part of the prosecution. Such consistent and incriminating evidence has, in my opinion, not been established by the prosecution with regard to any of the counts of the indictment. What may have been established by the prosecution, though only by means of *prima facie* evidence, does not justify the charge of intentional acts, termed criminal under penal law, on the part of the defendants. Of the prosecution's case in chief must be said: *multa non multum*. Hence the charges could, even at the present stage of the proceedings, be dismissed by a verdict of not guilty. The so-called counterproof of the defense, therefore, is operating in a vacuum produced by lack of conclusively substantiated evidence on the part of the prosecution; and counterproof by the defense, considered in the abstract sense of the term, is not only superfluous, but also logically impossible. The defense presents this proof only, as it were, *diligentiam praestantis causa*.

Under the correct legal interpretation of the London Charter and Control Council Law No. 10, the prosecution has failed to show that any crimes actually committed are linked by a causal chain to intentional acts or omissions on the part of my client. In order to say that he has caused a crime, his acts or omissions ought to have been shown as having violated a duty under the law or under the principles of ethics by whose fulfillment he could have prevented or remedied a wrong. A factor decisive for the conclusion that my client was not in a position to prevent wrong, let alone to cause such wrong himself, is the political and social structure of the Third Reich, namely, the boundless despotism of one single individual and his close confederates, which deprived my client of the possibility of doing what the prosecution charges that he did. I am speaking of the terror that prevailed in the Third Reich and increased as the years went by. I shall try in my main proof, as well as during examination of witnesses—whenever necessary—to make this terror stand out in as bold a relief as possible for the benefit of the Court.

Furthermore, my main task (within the framework of the division of labor and subjects between the various defense counsel) will be to show that the indictment is built upon a wrong historical conception of the ideological—and consequently the political—attitude of the social and professional stratum to which the defendant

Schmitz belonged, i.e., German industry and the leaders of German large-scale industrial enterprise.

General Taylor in his opening statements, with respect to the two current industrial trials, has stated the following (I quote from the Flick trial):

> "Krupp, Flick, Thyssen, and a few others swayed the industrial group; Beck, von Fritsch, Runstedt, and other martial exemplars ruled the military clique. On the shoulders of these groups Hitler rode to power, and from power to conquest.
>
> "Hitler was, to be sure, the focus of ultimate authority, but Hitler derived his power from the support of other influential men and groups who agreed with his basic ideas and objectives." *

It is evident that these statements of the General's were aimed at the industrialists. I continue the General's quotation:

> "Unless Jewish, the business man and the officer lived comfortably and flourished under Hitler * * *. The Third Reich dictatorship was based on this unholy trinity of nazism, militarism, and economic imperialism.
>
> "The small group of coal and steel kings had in their hands great power to mould German economic structure, and to influence German policies and the German way of life. We will see in this and other cases how they utilized that power."

The same ideas are apparent in the General's opening statement in this trial. I quote:

> "The charge is made that the defendants, together with other industrialists, played an important part in establishing the dictatorship of the Third Reich.
>
> "The objective of the defendants was conquest.
>
> "The origins of the crimes with which the defendants are charged may be traced back over many decades, but for present purposes their genesis is in 1932, when Hitler had established himself as a major political figure in Germany, but before his seizure of power and the advent of the Third Reich. Subsection A of count one of the indictment charges that the defendants, together with other industrialists, played an important part in establishing the dictatorship of the Third Reich.
>
> "When we charge an alliance between the defendants and Hitler and the Nazi Party, etc.
>
> "Without this collaboration," namely, the collaboration of industry, "Hitler and his Party followers would never have been

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* The prosecution's opening statement in the Flick case is reproduced in volume VI, pages 31–114, this series.

able to seize and consolidate their power in Germany, and the Third Reich would never have dared to plunge the world into war.

"Farben's devotion to the National Socialist Party and the Third Reich remained unshaken."

The attitude revealed in these and other statements is wrong, though understandable in a man who never lived in the Third Reich and bases his opinion, certainly in an honest attempt to find the truth, partly on uninformed, prejudiced reports from emigrants—although I concede to them their moral justification for nursing such a prejudice. A client of mine of an uncommonly high standard of character and intelligence, the former editor in chief of the "Berliner Tageblatt," Theodor Wolf, whom I looked up in Switzerland in the first days of his emigration, stated to me that, though he would do some writing while in exile, he would never make the political conditions in Germany the subject of his literary activities, "because an emigrant, for natural reasons and, as it were, by the will of God, is about the worst-qualified judge of home affairs." These words made a deep impression upon me, and experience has corroborated them. The General, furthermore, must base his judgment on a rather malicious source of knowledge, namely on a not inconsiderable part of the German press after the collapse, when, to say the least, an enormous resentment formed the "leitmotiv."

I commented upon this erroneous attitude in my closing statement in the first industrialists' trial, the Flick trial,* and I would like not only to repeat my former statement, but also establish its truth in my proof.

"Hitler owes his rise to the fact that the trade unions (which in 1920, on the occasion of the Kapp-Putsch, defeated, by a general strike, this movement thought by them to be reactionary) had been ground down in 1933 by years of unemployment, because they no longer had behind them the masses who had lost their belief in the trade unions. Six millions of unemployed had been crowding the streets, some of them for years, and the trade unions, which for decades had promised them the Socialist heaven, were unable to help them. Then there arose from the ranks of the proletariat the "Savior" who promised them salvation—salvation from misery—and all these masses of the lower middle class and the proletariat followed this rat catcher from Hamelin. Where else did the number of votes he received come from?"

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* The closing statement for defendant Flick in the Flick case is reproduced in section IX F, volume VI, this series.

At this juncture of my closing statement in the Flick trial, I reminded my listeners of the testimony of the witness Krueger, who, under cross-examination, described very vividly how horrified he was when, after the seizure of power, he suddenly saw rows of thousands of swastika flags fluttering in the wind in the so-called lower-middle class and working class neighborhoods. And so I continued in the Flick plea:

> "It was the masses that carried Hitler, not the elite, using this expression here in a sociological sense. And will you please not impute to me any snobbish or socially presumptuous motives for choosing this expression which is just a technical term used in Europe. (In the United States, I think, the expression 'intelligentsia' is used to a great extent.) The elite, however, are powerless without the masses. Today the legend has spread that the whole of the former electorate of Social-Democrats and Communists had been in opposition to national socialism. How mistaken, how untrue this assertion is, is shown from the votes cast at the Reichstag elections. All these facts have been distorted by a maze of myths which today have already assumed the nature of incontestable facts and have become the basis of so-called ideologies."

Your Honors, your lofty task in the Farben trial is to separate the facts from these myths. I do not in the least accuse these stultified masses. What I fight against is the attempt to try, unjustly, to find a scapegoat. This conception, against which I am fighting but which the prosecution has made its own, has, in my firm opinion, not only caused the prosecution to prefer these charges against the big industrialists, but is the main obstacle to the recognition of truth and, thereby, one of the main proofs of the innocence of these industrial researchers and industrial businessmen in the dock.

In order to eliminate this fundamental historical error, proof must be adduced before this Tribunal that it is simply not true that the leading figures of industry as such—exceptions only prove the rule—and especially the leading men of Farben, represented the prototype of the Nazis; that it is not true that an alliance existed between them and Hitler with the aim of bringing Hitler and his brown battalions to power and of participating in this power, and, with the help of this power, of subjugating and enslaving, first the masses of the German people, and then the rest of the world, by force and by war, There can be no doubt that this matter is of relevancy not only with regard to count one, but with regard to nearly all charges in the indictment. It is indeed the basic matter.

It was inherent in the nature of the Nuernberg trials that the defense often, and even predominantly, could only produce witnesses who, to a certain degree, were witnesses on their own behalf because they were "in on it." I shall try—I hope it will be technically possible—to bring in witnesses who at some time or other were first deprived of their professional status and of their jobs, and subsequently persecuted by the Nazis in the Third Reich.

Your Honors, I hope to show you, in the course of my presentation of evidence, that there can be no question of guilt, let alone of criminal guilt, but only of tragedy. Whoever lived in a state such as the Third Reich, and moreover occupied a prominent position in economic life, could not prevent the shadows of those iniquitous doings from affecting his own sphere of life. Nobody has known this better than the man whose authority is unchallenged and recognized by all constitutions and institutions based on Christian theology, namely Saint Augustine, who, in his book *"De Civitate Dei,"* wrote:

> "What matters it under what government mortal man lives as long as those who govern do not force those they govern to do godless and unjust things."

Well, the defendants lived in the Third Reich under a government which forced those they governed to do godless things. I hope to establish before the Tribunal, in the course of the presentation of the evidence entrusted to me by the body of the defense counsel, that this was the tragic shadow I mentioned and, by the same token, the tragedy of the defendants—but not their guilt under penal or ethical laws. Under these assumptions, I will present to the Tribunal the proof which has been entrusted to me by all the defense counsel.

E. Opening Statement for Defendant von Schnitzler*

DR. SIEMERS (counsel for defendant Georg von Schnitzler): Your Honors, Dr. Siemers, counsel for the defendant Dr. Georg von Schnitzler. Your Honors: Having completed the work in the first big Nuernberg industrial case, the Flick case, together with five other defense counsel (although I shall not know the result until the publication of the impending verdict), I shall now attempt to continue the defense of the German economy and

* Tr. pages 4730–4745, 18 December 1947. The final statement of defendant von Schnitzler to the Tribunal appears in section XII B 3, volume VIII, this series.

German industry in the second industrial case, against the largest German economic Konzern, the IG, within the scope of my defense of Dr. Georg von Schnitzler. I have been of the opinion that these industrial cases were not directed against the individual defendants but, fundamentally, against the whole of German economy. In the last few days in the Krupp case, General Taylor contradicted my opinion and emphasized that the defendants would be held responsible purely personally, and not as symbols or representatives of the entire industry. I stand nevertheless by my assertion, which demonstrates the danger to the whole of the German economy, simply because the main counts of the indictment, and the many assertions of the prosecution, show this quite unequivocally, i.e., the fight against the entire economy and against German capitalism as a whole. The realization of this tendency is no superfluous theoretical issue; an attack against the economy does not only affect capitalism and the major industrialists, but it similarly affects thousands of medium and minor industrialists, thousands of employees, foremen, and workers.

The question which Labour Member Rhys Davies put in the House of Commons on 23 May 1947 is, therefore, not an accident, but a necessary consequence. He asked his government whether plant leaders, foremen, engineers and skilled workers—who, according to the indictment, helped the National Socialist war machine just as much as did the industrialists—would also be brought to trial, since the American authorities had brought German industrialists to trial for the same reasons.

The Labour Member's question in itself confirms the correctness of my opinion. The same conclusion can, however, be drawn from the prosecution's own statement which repeatedly mentions the alliance of the entire industry with Hitler and militarism and which does not limit this alliance to certain defendants, but has mentioned innumerable other German Konzerns and firms which were not indicted. Such is the case with the statement of the prosecution on count one, i.e., wars of aggression; this is shown even more clearly in count two, the so-called plunder and spoliation; and count three, so-called slave labor. Here again, the fact emerges that innumerable Germans are being attacked, through the type of accusation alone, even though the prosecution need not say so in so many words.

Spoliation, as seen by the prosecution, does not consist only of plundering as prohibited by Article 47 of the Hague Convention, i.e., removal of objects; but also of exploitation of the economic strength of the occupied territory, and even the operation of a factory in the occupied territory in the interest, entirely

or in part, of the occupied territory. But if this broad definition of plundering constitutes a war crime, then not only are individual defendants guilty of this war crime, but also countless other industrialists and—this is important—not only the industrialists as entrepreneurs, but also, in accordance with Control Council Law number 10, as principals and accessories, a vast number of employees, foremen, and workers who worked in the occupied territories in such factories.

The situation as regards count three, the alleged slave labor count, is exactly the same. If the prosecution is right, and if the mere employment of foreign workers, irrespective of good or bad treatment, is a war crime, then hundreds of thousands of German industrialists, employees, master workmen, foremen, skilled workers, and farmers are guilty of this war crime.

What caused the prosecution to cast its nets so wide?

Even at the Crimea Conference on 11 February 1945, the aims of the Allies were formulated in such a way that every German who retained his ability to reason, in spite of twelve years of national socialism, could agree with the statement:

> "It is our inflexible resolve to destroy German militarism and national socialism and to make sure that Germany will never again be able to destroy world peace."

In the meantime, however, the scope of the aims was increased, and little by little, Hitler, the high Nazi leaders, and the war-mad militarists were no longer held solely responsible; the decent German military personalities and industrialists were also included, and it does not matter—these are General Taylor's own words—whether these industrialists had anything to do with national socialism, or even whether they were persecuted by the Nazis or regarded with distrust. If industrialists are brought to trial irrespective of their National Socialist leanings, that is pure anti-capitalism which, as we have seen, gives great joy to the Communists and conforms with the oft-repeated attacks against industry by Hitler, who hated the educated section of Germany, especially the industrialists, and also repeatedly attacked the capitalists, stating, for example, on 10 December 1940:

> "How can a capitalist possibly come to terms with my principles? Rather will the devil go to church and use holy water, before a capitalist will consider grappling with the ideas which we now take for granted."

The fundamental points of law for this case are to be found in international law. Up to now, it was a general legal principle for the state, which is concerned with the rights and duties of

international agreements, to be responsible for protecting the fundamental principles of international law. In the interests of international law, one now, quite rightly, wishes to make the private individual responsible as well, and this principle, which *de lege ferenda,* must definitely be admitted, is commonly held, especially in America, by, for example, Professor Roscoe Pound, professor of international law at Harvard, and Henry L. Stimson, the famous Secretary of State under Hoover and Secretary of War under Roosevelt.

Up to now, however, this was not an established or common law. General Taylor's objection, raised on 24 November 1947, in the Flick case, to the effect that my opinion (which was supported by the judgment of the international jurist, Dr. Herbert Kraus) was considerably out of date, was probably based on error. I can point out, on the other hand, that General Taylor, in this debate, had wrongly referred to the IMT case and verdict. It is true that in this case, tried here in Nuernberg, single individuals were indicted; however, they were not private persons, as in the industrial cases, but officials who acted for the state, and who bore responsibility under international law together with the state. This endorses the opinion of the highest judicial authority in the field of international law, namely that of the Hague International Court of Justice, which decided in the year 1928 that international law "provides no direct laws and obligations for private individuals."

It is interesting to see that the prosecution in the first Nuernberg trial of 1946, under the direction of Justice Jackson and General Taylor, used the same interpretation, and restricted the responsibility to those persons who were acting directly for the state. I refer to the speech for the prosecution by the French Chief Prosecutor, de Menthon, on 17 January 1946, in which he said: "It is obvious that in an organized modern state, responsibility is limited to those who act directly for the state, they alone being in a position to estimate the lawfulness of the orders given. They alone can be prosecuted and they must be prosecuted."[1] Without reading it, I also refer you to the statement of the Russian prosecutor, Colonel Pokrovsky.[2] If, then, the prosecution has changed its judicial interpretation in the meanwhile, the reason for this clearly lies in the wish to find a legal basis for the responsibility of the industrialists in the industrial lawsuits.

The third reason, which caused the prosecution to extend its charges to include the whole of the German economy, is to be

[1] See *Trial of the Major War Criminals,* volume V, page 388.
[2] Ibid., volume VII, page 213.

sought in its attempt to construct a legal basis for General Clay's assertion that Germany could not derive any rights from the Hague Rules for Land Warfare because Germany had broken international law too frequently and on too large a scale. This view can be derived neither from the Hague Rules for Land Warfare nor from the concept of unconditional capitulation, as I shall proceed to show and prove at a later stage. Yet, the prosecution has not admitted the validity of this view if applied in favor of German industry in connection with events in Russian occupied territory, although this would have been logical.

General Taylor's opening statement in the IG case shows, moreover, the extent to which the trial is being influenced by purely economic considerations. I am referring only to two quotations adduced by General Taylor:

The Alien Property Custodian of the United States, in his report in the year 1919 on the chemical industry, declared that: "The German chemical industry, which had so thoroughly penetrated and permeated our own, was gigantic, perhaps the strongest, and certainly the most remunerative of all Teutonic industries."[1]

President Wilson, in his message to the United States Congress in the year 1919, pointed out that:

> "Among the industries to which special consideration should be given is that of the manufacture of dyestuffs and related chemicals. Our complete dependence upon German supplies before the war made the interruption of trade a cause of exceptional economic disturbance. The close relation between the manufacturer of dyestuffs, on the one hand, and of explosives and poisonous gases on the other, moreover, has given the industry an exceptional significance and value. Although the United States will gladly and unhesitatingly join in the programme of international disarmament, it will, nevertheless, be a policy of obvious prudence to make certain of the successful maintenance of many strong and well equipped chemical plants."[2]

Now, if the President of the United States thinks the creation and maintenance of chemical plants necessary for military reasons, the fact that the defendants are to be blamed for the enlargement of the chemical industry which has now been crushed in Germany, contrary to American customs and prior to judgment on IG, is a very striking one and reveals the tendency of the prosecution.

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[1] See footnote, page 103.

[2] See footnote (3), page 106.

As for the charge of aggressive war, the IMT judgment drew absolutely clear distinctions which conflict with the charges against these defendants. The IMT judgment explicitly affirmed the principle of personal guilt and postulated that a defendant could be found guilty only if he had precise knowledge of Hitler's aims, and, with this knowledge, gave him his cooperation.

Moreover, the IMT judgment affirmed the cognizance of the defendants only if they had absolute, positive knowledge and, in particular, knew of Hitler's declarations as contained in the so-called key documents—to wit, the four speeches to the Wehrmacht commanders—by attending those conferences. But, according to the prosecution's own case, these essential prerequisites are not complied with in this case. Moreover, I shall prove that von Schnitzler did not know Hitler's aims nor those declarations by Hitler, and he could not possibly know them because he had no contact with the persons concerned. How rigorous the criteria were applied by the IMT to the prosecution's onus of proof is shown by Schacht's acquittal. Schacht certainly had a more comprehensive view of things than von Schnitzler, and yet the Tribunal stated that proof had not been established because Schacht did not attend the aforesaid conferences, and was, therefore, not in a position to know Hitler's declarations.

The prosecution has now submitted affidavits from von Schnitzler which it regards as proof of his knowledge and wishes to have considered as a confession.

Within the framework of the defense, I shall show that this conception is incorrect, quite apart from the fact that these affidavits do not constitute effective proof within the meaning of the judgment of the IMT. At the beginning of the trial, I applied for rejection of the affidavits which the prosecution obtained from von Schnitzler during his imprisonment without telling him that he was likely to be a defendant, but, on the contrary, taking his evidence specifically as a voluntary witness and without according him the benefit of legal advice; this, moreover, in such circumstances and in such a manner as was bound to result for him in mental depression and constriction, especially in view of the unstable nature of this so-called "witness."*

Even if you wished to disregard the mental pressure under which von Schnitzler was suffering, the affidavits still do not contain any confession, because von Schnitzler does not therein relate or admit any facts, but merely states arguments which, moreover, were influenced by the prosecution and, at the very least, were suggested to him.

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* See section XVIII K 6, volume XV, this series.

In order to understand all this, it would be necessary to know the conditions in Germany during the National Socialist domination, and especially to have lived through the period in Germany after the Munich Agreement. The behavior of Hitler after the Munich Agreement called forth the greatest pessimism both at home and abroad. After March 1939, this pessimism increased to an extraordinary extent, Hitler having suddenly concluded an obscure agreement with President Hacha. Just at that time, von Schnitzler was conducting industrial German-English negotiations, and was just as much shocked by the ruthless behavior of Hitler as were the Englishmen who were negotiating with him. When the Polish question became acute, the anxiety of many Germans and foreigners, and likewise of von Schnitzler, became ever greater; nevertheless, it was still hoped and believed that Hitler, as in Munich, would be sensible enough not to make any exaggerated demands and would content himself with that which he openly demanded and which—as shown by the statements of the Swedish industrial magnate Dahlerus, as a witness in the first trial—England was willing to accord him. Chamberlain himself, the greatest fighter for peace, and the above-mentioned witness Dahlerus—as the latter testified—did not know, in those August days of 1939, that Hitler wanted to carry on a war of aggression, because they did not yet know of the Hitler documents brought forward in the first trial; but they feared aggressive intentions by Hitler. Likewise von Schnitzler, whose positive knowledge was smaller still, could at the time, like many other Germans, only fear, guess, and discuss. This I will prove, and this, according to the judgment of the IMT, never constitutes a penal offense.

I will turn now to the conduct of the IG in the occupied territories, that is, to those facts of the case summed up by the prosecution under the term "spoliation."

I may first remark that, in accordance with an agreement among the defense counsel, I have taken over the work in this field on the legal and economic basis, and will therefore deal with this subject specially in the course of my evidence and later in the plea.

The prosecution, in its treatment of the charges of spoliation in the West and in the East, appears, as similarly in the Flick trial, to have committed the following legal or factual errors:

The term "spoliation" has not been defined in the Control Council Law. Spoliation is named merely as an example in Article II, Point 1 b, as an illustration of what is meant by "acts of violence or offenses against property carried out in violation of the laws or customs of war."

Thus, within the meaning of the Control Council Law, spoliation has taken place only if there has been a violation of the laws of The Hague Convention in 1907. The wording of the Control Council Law shows, moreover, that only overwhelming facts are to be considered as war crimes. It is therefore not applicable if the prosecution simply declares any formal offense against the Hague Convention laws to be a war crime. Thus, for instance, the prosecution views the removal of a set of machinery in the Winnica case as a war crime, without considering that the Polish firm belonged half to the French and half to the IG; then the French transferred their shares to the IG, which made it a matter of IG property.

The prosecution also entirely disregards economic principles in the same way as the legal aspect, i.e., to what extent it was a matter of state measures and how far the IG had to steer its policy in accordance with the dictates of the state. Industry did not take part in the government's so-called spoliation program, which Goering may have discussed with Hitler and others at secret meetings, and was entirely ignorant of a large proportion of the documents of this type submitted in the big case and in the industrial cases.

With regard to industry—I am thinking here of the Francolor case—the prosecution did not take into consideration the fact that months of negotiation had taken place between the French dyestuffs firms and the IG, which eventually led to an agreement, and this agreement was not—as I shall show—economically harmful to the French dyestuffs firms, but was an adequate mutual agreement, on the basis of which the French dyestuffs factories could work for, and to a great extent supply, their own population. In any case it was an agreement which worked out much better and more favorably for the occupied territory than the present much-favored dismantling of factories.

The prosecution has given spoliation, within the meaning of The Hague Convention of 1907, far too wide a significance—and has here left modern industrial warfare, which in 1907 was not yet known, entirely out of consideration. Every law, including international law, is dependent on historical development which may lead to its expansion but may also lead to limitations. The International Military Tribunal also said, in its judgment, on international law:

"This law is not static, but by continual adaptation, follows the needs of a changing world."*

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* *Trial of The Major War Criminals*, volume I, page 221.

The Hague Convention can, therefore, not be interpreted by the letter of the law, but only by the spirit. At that time there was no such thing as aerial warfare, which has been waged unrestrainedly and with the most cruel weapons—although, according to Article 25 of The Hague Convention, the attack on, or bombardment of, defenseless towns or villages is forbidden.

There was at that time no blockade of a whole nation, as in the First World War, or of almost an entire continent, as in the Second World War. Similarly, there was none of the economic warfare resulting from the blockade. None of this was provided for in The Hague Convention, and consequently only by the general and essential principles can stand, and the individual resolutions cannot be applied in their formal legal sense; just as in aerial warfare, the Allies did not apply Article 25 of The Hague Convention.

There can be no doubt that an international law exists, whether it be statutory or common law, and that the important principles of international law must be respected in every way. I shall show, however, that international law unfortunately has no very firm basis, and that it is therefore extraordinarily difficult for a lawyer, and especially for an industrialist, to recognize from the facts of an individual case whether or not they constitute a violation of international law. This uncertain basis itself shows that an industrialist, that is, a private person, cannot be held responsible for observance of the law, especially as he cannot assess the individual actions introduced by the government, since he does not know the motives. I should like to demonstrate this with one simple example.

This is Article 43 of The Hague Convention. It is here laid down that the occupying state shall make every provision "to restore and maintain public order and public life."

After the German troops had occupied wide territories in the East in June and July 1941, a decree from Hitler was issued on the administration of the Occupied Eastern Territories, dated 17 July 1941, the preamble of which read:

> "In order to restore and maintain public order and public life in the newly occupied Eastern Territory, I decree * * * etc."*

In fact, the precise wording of Article 43 of The Hague Convention; so that each must have proceeded from the idea that the interests of the occupied territory would not be disregarded.

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* This decree was not offered in evidence in the Farben case, but was introduced in the Ministries case (Case 11, *United States vs. Ernst von Weizsaecker, et al.*, volumes XII–XIV, this series) as Document NG–1280, Prosecution Exhibit 529. It is reproduced in section VI H, volume XII, this series.

Moreover, the continued operation of factories in the occupied territories, and their operation in the interests of the population of the occupied country, are also contained within the meaning of Article 43.

A comparison with present conditions in Germany will serve to illustrate how the legal concepts vary as to what is permissible in occupied territory.

The directive issued by the Combined Chiefs of Staff on behalf of General of the Army Dwight D. Eisenhower (JCS 1067), dated April 1945, states:

> "Germany is not being occupied for the purpose of its liberation, but as a result of being a defeated enemy state. The goal is not the subjugation, but the occupation of Germany in order to achieve certain important aims set by the Allies."

Consequently, there can be no legal doubt that The Hague Convention is applicable in this instance, since a defeated and occupied enemy state is the only prerequisite for its application, and The Hague Convention itself does not make any exception. Nevertheless, the same directive issued on behalf of General Eisenhower states:

> "to take no measures towards economic restoration and no steps to maintain and to strengthen the German economy."

This clear wording shows that on the part of the USA there prevailed the opinion that Article 43 of The Hague Convention could be disregarded, and the recently published list of dismantled German plants discloses the same intention.

In order to make my statement complete, I must add that the above quoted JCS 1067 was valid for approximately two years, up to the summer of 1947, and is no longer in force.

The new direction followed by General Clay strikes a more friendly tone for the German economy, and many other facts disclose a similar attitude. But all this proves the vague basis of international law, which can hardly have changed between April 1945 and July 1947.

With reference to count three of the indictment—

PRESIDING JUDGE SHAKE: May I inquire, Counsel, how much more time you need for your statement, approximately?

DR. SIEMERS: Approximately eight to ten minutes, Your Honor.

PRESIDING JUDGE SHAKE: Would you rather complete it before the recess or would you rather have the recess now?

DR. SIEMERS: I shall bow to the preference of the Tribunal.

PRESIDING JUDGE SHAKE: I think if it pleases you as well, you

may complete your statement, and then we will take the recess at the conclusion of your presentation.

DR. SIEMERS: With reference to count three of the indictment (foreign workers, prisoners of war, and concentration camp prisoners), I defended (in the Flick trial) the Ruhr industry—particularly the mining industry—and many other firms against these charges. In this trial I will be brief, inasmuch as Dr. von Schnitzler did not handle questions of plant operation and particularly not details of labor allocation. Consequently the defense of my client will be limited to the charges of the prosecution that, as a member of the Vorstand as well as a member of various organizations such as the Reich Group Industry, he bears coresponsibility.

The prosecution states, "It is not proper to claim the privileges of authority without accepting responsibility," thereby overlooking the distinction which must be drawn between the responsibility of the Vorstand under the civil law, namely, the corporation law, on the one hand, and responsibility under criminal law on the other hand. Criminal law requires proof of guilt to establish responsibility, thereby requiring positive knowledge of certain facts. The prosecution itself admits that many of the defendants were not aware of those details but states, however, that they were able and obligated to obtain knowledge of those details, and should have done so, and should have conducted investigations for that purpose.

Apart from the fact that in the case of so large a Konzern it is utterly impossible to conduct investigations continuously, it does not constitute a part of the duties of every member of the Vorstand within the organization of such a large Konzern and such a large Vorstand, as the proceedings will prove, to concern himself with questions of plant operation, thereby neglecting his own sphere of work.

The prosecution has also recognized this fact and is endeavoring to overcome it with the aid of the Control Council Law, by referring to Article II, 2 (e) and (f) of the Control Council Law No. 10, which, in addition to the usual forms of criminal participation, has created two new forms of participation; namely, the fact of a person holding a high position in industry or economy, and the fact of mere membership in an organization connected with the commission of a war crime—whereby, surprisingly enough, IG apparently is considered as an organization or association of that kind.

In the course of this trial, it may be proved that this provision, particularly its interpretation as attempted by the prosecution, is contrary to the judgment of the International Military Tri-

bunal. When declaring specific organizations as criminal, the IMT clearly stressed a point that mere membership is not sufficient, and that guilt under criminal law is always individual guilt. Consequently the prosecution must also in this instance prove not only the fact of position and membership, but also furnish proof of guilt; that is, individual participation, quite apart from the fact that IG as a corporation is not to be regarded as an organization within the meaning of the Control Council Law. Moreover, in order not to take up the time of the Tribunal unduly, I have already submitted an opinion in the Flick trial on these matters; a detailed, expert opinion by Attorney Klefisch. In addition, I shall limit myself for the time being to merely quoting the words spoken by the American Military Tribunal II in Case IV. I quote:

> "Again, the Tribunal is impelled to ask, what should he have done? Unless it is willing to resort to the principle of group responsibility and to charge the whole German nation with these war crimes and crimes against humanity, there is a line somewhere at which indictable criminality must stop. In the opinion of the Tribunal, Vogt stands beyond that line." *

And thus I am of the opinion that this trial will prove that von Schnitzler stands beyond that line, and that in his case, too, the question is to be asked, what should he have done? I believe on the whole—and this brings me to my conclusion—that the prosecution, in judging the conduct of all the defendants, is thinking too much of the democratic liberty which they themselves enjoy in America, and repeatedly forgets that a National Socialist State represented a dictatorship of a particularly extreme type, a fact which cannot be pointed out often enough and which is apparently understood only by those who have spent the entire last 12 years in Germany.

The prosecution which is so apt at quoting the International Military Tribunal, overlooks the judgment of the International Military Tribunal in this instance and ignores the statement of its own colleague, the French prosecutor at the big trial, who aptly remarked in February 1946, "Hitler was indeed the incarnation of all will." Then, the strength and power resulting from this led Hitler, as stressed in the judgment of the International Military Tribunal, to dictatorship, with all its methods of terror and its cynical and open denial of the rules of law. I quote further from the International Military Tribunal judgment:

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* *United States vs. Oswald Pohl, et al.*, volume V, this series.

"Hostile criticism, indeed, criticism of any kind, was forbidden, and the severest penalties were imposed on those who indulged in it.

"Independent judgment based on freedom of thought was rendered quite impossible."[1]

In connection with the defense's case in chief I request the Tribunal always to bear in mind the extraordinary dangers and the tremendous power of the dictator who excluded freedom of action and freedom of will, and thus I may conclude with the words of a Greek scholar, a contemporary of Plato: "You either stay away from the company of the tyrant or you submit to him."

PRESIDING JUDGE SHAKE: The Tribunal is about to rise for its morning recess. At the end of fifteen minutes the marshal will have the defendants in the dock and counsel will be in their chairs. We shall rise.

(Recess)

F. Opening Statement for Defendant Gajewski[2]

DR. ACHENBACH (counsel for defendant Gajewski): Achenbach for Dr. Gajewski. May it please Your Honors: Before submitting to the Court my own opinion about the alleged crimes with which the prosecution charges these defendants, I want to pay tribute to the extraordinary amount of energy and subtle intelligence spent by the very able representatives of the prosecution on trying to prove that these defendants—most of whom are well known and held in high esteem among leading business men, industrialists and scientists the world over, and last but not least, in Your Honors' own country—are in reality sinister persons, worse somehow than Hitler himself. I dare say that, in spite of all its ability and intelligence, the prosecution did not succeed in this impossible task, and with Your Honors' kind permission, I do not want to conceal my doubts about the political wisdom of their decision to try it.

There is an irresponsible way of pinning labels on people in which one should not indulge if one wants to build up the reign of justice and liberty we all long for, and for the support of which many of the best citizens of this unhappy German nation still look, with fervent hope which must not be deceived, to that great land of liberty beyond the Atlantic so admirably and en-

[1] *Trial of the Major War Criminals*, volume I, page 182.

[2] Tr. pages 4746–4759, 18 December 1947.

thusisastically described in the poetry of Walt Whitman. One unfortunately finds that regrettable habit in some other parts of the world, but I am told that one of the guiding principles of Your Honors' country is to put a stop to the spreading of such methods. The chief counsel for the prosecution reminded us in his opening statement that we have been told from the Mountain to judge not that we be not judged. Listening to the rest of his speech, and especially to his last sentence, I could not help feeling that he had forgotten the profound wisdom of that rule.

The prosecution does not hesitate to charge all the defendants with crimes against peace. They are alleged to have planned, prepared, initiated, or waged wars of aggression, and to have participated in a common plan or conspiracy for the accomplishment of such wars of aggression. The defense maintains that not even a *prima facie* case has been made out. As I already have had occasion to point out to the Court, the prosecution did in fact prove—but as far as that is concerned, we might have made a stipulation—that I.G. Farben was a big firm, was an efficient firm, and, like many other firms in Germany, did take part in German rearmament, just as innumerable firms in other countries took part in the production or armaments for their countries. The prosecution seems to think that that is enough to establish against all the defendants a crime against peace. I respectfully submit to Your Honors that that is not enough. It was not enough for the International Military Tribunal. In the grounds for its judgment concerning the defendant Schacht it is stated:

> "It is clear that Schacht was a central figure in Germany's rearmament program and the steps which he took, particularly in the early days of the Nazi regime, were responsible for Nazi Germany's rapid rise as a military power. But rearmament of itself is not criminal under the Charter. To be a crime against peace under Article 6 of the Charter it must be shown that Schacht carried out this rearmament as part of the Nazi plans to wage aggressive wars."*

Do counsel for the prosecution really intend to go beyond the principles laid down in that judgment? Do they intend to rely on Article II, 2 (f) of Control Council Law No. 10, according to which it could seem that any person who held a high political, civil, or military position in Germany, or held a high position in her financial, industrial, or economic life, is automatically deemed

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* *Trial of the Major War Criminals*, volume I, pages 308–309.

to have committed a crime against peace? Your Honors, I simply cannot conceive of that provision's purpose being to establish the legal basis for wholesale punishment of thousands and thousands of honorable citizens. I cannot conceive of any counsel, bred in the spirit of true liberalism, freedom, and democracy, who would think of giving that interpretation to that provision.

I do not want to be unfair and say that the prosecution did not see the danger of such an interpretation. I quote from General Taylor's speech:

> "This provision, we believe, is not intended to attach criminal guilt automatically to all holders of high positions, but means, rather, that legitimate and reasonable inferences are to be drawn from the fact that a defendant held such a position, and places upon him the burden of countering the inferences which must otherwise be drawn."

What General Taylor obviously tries to do is this: he wants to shift the burden of proof. Practically speaking, that amounts to the same result as if he flatly did construe the above mentioned provision in the indicated impossible way. And there we simply cannot follow him. We all know the old Latin saying: *negativa non sunt probanda.* This is not a denazification court; this is a criminal court, and we therefore have to stick to the elementary principle, recognized by the penal laws of all civilized nations, that if somebody is to be punished his personal guilt must be proved. In this very courthouse, Military Tribunal II, on 16 April 1947, in the case of the United States of America *vs.* Erhard Milch, gave eloquent expression to this fundamental principle by stating:

> "We must never falter in maintaining, by practice as well as by preachment, the sanctity of what we have come to know as due process of law, civil and criminal, municipal and international. If the level of civilization is to be raised throughout the world, this must be the first step. Any other road leads but to tyranny and chaos. This Tribunal, before all others, must act in recognition of these self-evident principles. If it fails, its whole purpose is frustrated and this trial becomes a mockery. At the very foundation of these juridical concepts lie two important postulates: (1) Every person accused of crime is presumed to be innocent, and (2) that presumption abides with him until guilt has been established by proof beyond a reasonable doubt.
>
> "Unless the court which bears the proof is convinced of guilt to the point of moral certainty, the presumption of innocence

must continue to protect the accused. If the facts as drawn from the evidence are equally consistent with guilt and innocence, they must be resolved on the side of innocence. Under American law neither life nor liberty is to be lightly taken away, and unless at the conclusion of the proof there is an abiding conviction of guilt in the mind of the court which sits in judgment, the accused may not be damnified." *

For our case this means that these defendants are guilty of a crime against peace only if they knew that their government had specific plans to wage wars of aggression, and if, with clear and specific knowledge of those aggressive plans, they knowingly gave their help to the realization of these plans. Did Hitler tell them about his plans? He certainly did not. I respectfully submit to Your Honors that he told them and the German people the exact contrary. Isn't it significant in this connection, Your Honors, that Hans Fritzsche, who was in charge of informing the German people through the German press and radio services of what was going on, was acquitted by the International Military Tribunal?

In spite of that, the prosecution seems to want to contend that it was a matter of common knowledge among the people of Germany that Hitler wanted to go in for wars of aggression. As their key witness, they produced Hitler's interpreter. Now, whatever one may say about him and about what he was obliged to admit during his cross-examination, one thing is certain, he is not a witness able to prove anything at all about common knowledge. If one wants to know what common knowledge was, one will have to turn to those things which the German press and the German radio let the German population know about their government's declarations and intentions. Your Honors will find that the word peace occurred far more frequently than the word war.

It will be my duty within the general frame of the defense to submit to Your Honors evidence concerning what was common knowledge and what was not. In order, however, that there be no misunderstanding about my position, I want to say that this question is, according to the clear findings of the International Military Tribunal, irrelevant. In order to avoid repetitions I should like to refer to the motion my colleague, von Metzler, submitted yesterday to the Court. I shall therefore offer this evidence concerning common knowledge only if the Court takes a different view from that expressed in the IMT judgment.

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* Volume II, pages 778–779, this series.

Right here, though, I should like to say a few words about the argument that, through the foreign press and foreign radio, the German people and these defendants heard different things. I think that common sense tells us without long discussion what such an argument would be worth. I am not of the opinion that the normal decent citizen in any country can be expected to assume that his own government is by definition crooked and that its opponents abroad are always right. As far as I know, there are committees set up in America to investigate so-called un-American activities, and I am told they think that people who, rather than stick to the official lines of their own legitimate government, take their views from and shape their actions according to orders received from foreign quarters, are not exactly the very best citizens. In fact these committees seem to think that a certain loyalty to one's own country and its legitimate government is not a sign of particular stupidity, nor even of whole-hearted approval of any governmental decision, but rather a sign of national decency without which no state and no social order could be maintained. In this connection, I should like to draw Your Honor's attention to a very interesting decision of the Supreme Court of the United States, rendered on 25 May 1931, in the case of Macintosh. Macintosh, a Canadian theology professor who asked for his naturalization as a United States citizen, was ready to sign the declaration of allegiance to his new country with the reservation, however, that he claimed the right to decide for himself if a future war waged by the United States was a just or an unjust war. In the latter case, he declared he would not be in a position to give help to his new country. The Supreme Court decided that while it was prepared to recognize so-called conscientious objectors, it was not prepared to accept the declaration by a United States citizen that it was up to him to decide whether in a concrete case of war he would give help to his government or not.

If, in view of the charges of count one of the indictment, I now turn to my client, Dr. Gajewski, I only want to repeat that he did not know that Hitler planned wars of aggression. On the contrary, being a straightforward personality, he had, until the outbreak of war, confidence in Hitler's repeated solemn peace pledges. From the many examples, I shall quote only a few here. In his speech before the German Reichstag on 17 May 1933, Hitler said:

> "No new European war would be able to replace the unsatisfactory conditions of today by something better. On the contrary, neither politically nor economically would any appli-

cation of force create in Europe a situation more favorable than the situation which exists today. Even a decisive success of a new European solution by force would have as final result a disturbance of the European equilibrium and would thus in one way or another lay the germ for new oppositions and new complications. New wars, new sacrifices, new insecurity, and new economic need would be the result. The outbreak of such a folly without end must lead to the breakdown of the present social and political order. A Europe drifting into Communist chaos would bring about a crisis the extent and duration of which would not be foreseen. It is the most earnest desire of the national government of the German Reich to prevent such an unpeaceful development by their sincere and active cooperation." *

In his speech before the workers of the Siemens plant in Berlin, Hitler said on 11 November 1933 (*Doc. CK–9, Def. Ex. 62*):

"One should really not consider me so idiotic as to want a war. I do not know how many of the foreign statesmen participated in the war. I was in it, I know it. We want nothing but peace."

On 20 February 1938, Hitler said in the Reichstag (*Doc. CK–42, Def. Ex. 95*):

"Relying on her friendships, Germany will not leave a stone unturned to save that ideal which provides the foundation for the task which is ahead of us—peace."

Furthermore, my client had been deeply impressed by the apotheosis of peaceful international competition during the Olympic Games of 1936 in Berlin, and had wholeheartedly approved of and believed in Neville Chamberlain's declaration on his return to England after the Munich conference and after his signature of a consultative pact with Hitler, that this meant "peace in our time."

On 30 January 1939, again in the Reichstag, Hitler said (*Doc. CK–65, Def. Ex. 119*):

"During the troubled months of the past year, the friendship between Germany and Poland has been one of the reassuring factors in the political life of Europe."

And, last but not least, on 28 April 1939, Hitler, in another speech before the Reichstag, declared:

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* Document CK–6a, Defense Exhibit 58, reproduced below in section VII O 5.

"I have regretted greatly this incomprehensible attitude of the Polish Government, but that alone is not the decisive fact; the worst is that now Poland, like Czechoslovakia a year ago, believes, under the pressure of a lying international campaign, that it must call up its troops, although Germany on her part has not called up a single man, and had not thought of proceeding in any way against Poland * * *. The intention to attack on the part of Germany which was merely invented by the international press * * *."

Can a man whose work certainly did not leave him much time for philosophic speculations about the vicious aims his government might or might not have, but who knew that Austria and the Sudeten area were populated by authentic Germans, and who remembered that for centuries Czechs and Slovaks had lived in peaceful communion with Germans within the orbit of the German Reich—can he be expected to assume that Hitler, while saying all these peaceful and reasonable things, secretly had made plans for a war of aggression against Poland, and had informed a very limited number of men belonging to his inner circle about these aggressive plans? It is quite obvious that one cannot expect that. It seemed obvious to the International Military Tribunal, and that is why it acquitted a considerable number of defendants, who certainly held higher positions and had more insight than my client, of the charge of having committed a crime against peace.

If the prosecution should object that, in spite of these peaceful declarations, my client must have come to a different conclusion in view of the German armament efforts, I can only say that, in order to understand the psychological situation in Germany concerning rearmament, it seems to me worthwhile to remind Your Honors in this connection of the fact that German disarmament after World War I was to be, according to the provisions of Part 5 of the Versailles Treaty, of Article 8 of the Covenant of the League of Nations, as well as Point 4 of Wilson's 14 Points, only the beginning of general disarmament. Throughout the long years of negotiations about disarmament and security, it was Germany's constant aim to remind the other nations of the fulfillment of their disarmament pledges and to achieve quality on the basis of its own reduced level of armaments.

Chancellor Bruening said, in an interview given to a representative of the International Broadcasting Company and broadcast by all radio stations of the United States on 15 February 1932 (*Doc. CK–1, Def. Ex. 53*):

"The military forces of Germany are not even a sufficient frontier protection against the aggression of one or several of her highly armed neighbors. Germany's lack of arms is particularly evident in the air. She has absolutely no means for her defense. Not only the air force is forbidden to her, but even any antiaircraft defense from the ground. In case of war, the cities of Germany would be exposed, without any protection, to the gas, incendiary, and explosive bombs of enemy planes. You will admit that that is an untenable situation which must, in view of their security, be of the greatest concern to the German people. The demand for equality with the other nations, which I put forward in all clarity in my speech at the Disarmament Conference at Geneva, is therefore a self-evident conclusion drawn from the actually existing conditions * * *. The German people, especially German youth, very deeply resent this state of disqualification, and part of the political unrest in Germany has its origin here * * *. The demand for equal rights and equal security is shared by the whole German nation. Every German Government will have to stand up for this demand."

In fact, evidence can be introduced to show that, in Geneva the Hitler government took the same stand that Bruening had taken, and German rearmament was only begun when the German efforts of many years (in endless disarmament discussions in Geneva and elsewhere) had proved a failure because of the intransigency of Germany's neighbors.

As far as my client is concerned, I must, in addition, underline the fact that the plants of which he was in charge manufactured products of a decidedly peaceful nature, i.e., photographic products and artificial fibres. My client is entitled to point out, not without pride, that AGFA, thanks to his constant efforts to push the research work of his able collaborators in this direction, developed a process for colored films which is, with reason, considered one of the best, if not the best, in the world. The outbreak of war did not further, but hampered my client's peaceful efforts. I can therefore assure Your Honors that my client did not rejoice when war broke out, nor did he ever hear that his colleagues had bellicose tendencies. Certainly none of his colleagues ever told him of having knowledge of any aggressive plans of the German Government. It is true, once war had broken out—a war which the German Government presented to the German people as a defensive war, especially by pointing to the fact that England and France had declared war upon Germany—my client did not wish his country's defeat. He stuck

by it [his country], but there, too, I submit to Your Honors that that is an attitude for which nobody in good faith is entitled to blame him.

The International Military Tribunal recognized this view when, in the ground for its judgment concerning the defendant Speer, it stated:

> "His activities in charge of German armament production were in aid of the war effort in the same way that other productive enterprises aid in the waging of war; but the Tribunal is not prepared to find that such activities involve engaging in the common plan to wage aggressive war as charged under count one, or waging aggressive war as charged under count two." *

As far as the charges under count two of the indictment are concerned, I can leave their discussion to those of my colleagues whose clients were engaged in the negotiations which led to the arrangements the prosecution styles "plunder and spoliation." The evidence introduced by the prosecution does not bear out this contention.

Turning to count three of the indictment, my client assumes the responsibility for the Wolfen-Film plant whose immediate head he was. As far as the employment of foreign labor, inmates of prisons and inmates of concentration camps as such is concerned, I respectively submit to Your Honors that this fact alone, in view of German legislation and the war situation, cannot be considered as a sufficient basis for justifying criminal proceedings against my client. The legal problems relevant in this connection will be discussed at length by my colleagues. The defense is in a position to introduce evidence to prove that my client acted in such a way that no other decent man in his position, at the same period and under the same circumstances, could have acted differently. We are able to prove, too, that conditions of work, and the food and housing situation of all persons working at the Wolfen-Film plant were such that one cannot contend they were bad. Dr. Gajewski did all in his power and issued instructions to the effect that [workers] especially foreign workers received decent treatment and were cared for to the extent that prevailing circumstances allowed. As far as the concentration camp inmates (a few hundred women from Ravensbrueck) were concerned, they certainly preferred their work at the Wolfen-Film plant to the Ravensbrueck camp. They were not engaged in heavy work; the work was the same [as work] performed before by free German women. As to the other plants

* *Trial of the Major War Criminals*, volume I, pages 330–331.

belonging to Sparte III and mentioned by the prosecution, i.e., Kamerawerke Munich and Rottweil, they were run by able men whose moral qualities had gained them the confidence of my client. He could be sure that, as Betriebsfuehrer of those plants, these men handled personnel questions correctly; and, in fact, they did handle them correctly. As to the firm Kalle & Co., controlled by IG, but legally an independent firm with its own Vorstand, there is no evidence produced by the prosecution which could incriminate my client. There too, we are in a position to prove that the Kalle Vorstand acted correctly.

As to the general personality of my client, I propose to submit to the Court evidence to show that he was imbued with principles of tolerance and humanity, and that he certainly did not lack civil courage to stand up for his opinions. He was known among his colleagues as a person who definitely did not like to have other people interfere with his own sphere, but who, at the same time, refrained from meddling with other people's affairs. In the "decentralized centralization" of the huge IG, Dr. Gajewski was at the head of Sparte III, and gladly assumes the responsibility this position implies. As to the rest of Farben's fields of activity, he knew only about their general outline as submitted to the TEA and the Vorstand when he took part in their meetings. There he never heard anything which could or should have stirred him to take action in other fields than his own, particularly since he had, and could have, confidence in his colleagues concerning the correct handling of their affairs. Concerning the honorary positions held by Dr. Gajewski, the prosecution produced no evidence to prove that, in these more or less formal activities, something could be found with which to charge him under any criminal aspect.

In concluding my opening statement, I want to make one last remark concerning the last sentence of the prosecution's opening address. The chief counsel for the prosecution said: "There is no loyalty in these men—not to science, nor to Germany, nor to any discoverable ideal." This charge, wholly unwarranted by the evidence introduced by the prosecution, is most deeply resented by Dr. Gajewski, and I think I am entitled to say that all the defendants share his feelings. As to Dr. Gajewski's loyalty and personal integrity, all those who have known him in Germany as well as abroad will tell the prosecution it is wrong and that, as far as Dr. Gajewski's feelings toward Germany are concerned, he loved and served his country as I imagine his colleagues in America loved and served their own.

G. Opening Statement for Defendant Hoerlein*

DR. NELTE (counsel for defendant Hoerlein): Dr. Nelte for the defendant Professor Dr. Heinrich Hoerlein. Mr. President, Your Honors: defendant Professor Hoerlein, together with all the other defendants, is charged with having participated in the planning, preparation, initiation, and waging of wars of aggression, and invasions of other countries.

This count of the indictment concerns the over-all responsibility which Professor Hoerlein is held to have assumed as a member of Farben's Vorstand. In this connection, it is essential to prove the extent to which Professor Hoerlein has participated in decisions and measures which he knew had as their objective the planning, preparation, initiation, and the waging of wars of aggression.

We reserve to ourselves to present at a later date the legal issues arising from the problem of over-all responsibility and conspiracy.

Professor Hoerlein, in an affidavit, will explain his position, his functions, and his competencies within Farben's administrative structure—the Vorstand and the Central Committee. This will reveal a picture of a decentralized business activity which, by virtue of Farben's immense size, rendered it practically impossible for any individual member of the Vorstand to be informed of details of the activities of other members of the Vorstand, at least as to their motives and purposes.

Professor Hoerlein, who, jointly with Professor Lautenschlaeger and Direktor Mann, represented the pharmaceutical branch of Sparte II as well as the pharmaceutical plants and laboratories in Elberfeld-Leverkusen, will, when called to the stand, testify and introduce documentary evidence to the effect that the pharmaceutical branch did not benefit from the National Socialist movement and regime, nor from the Wehrmacht; that is, from rearmament.

The development of this branch of Farben was not influenced by rearmament, but by developments in the international field, namely, by export. These developments induced the leading men, either from necessity or from conviction, to adopt an attitude of conciliation and peace among nations. Moreover, proof will be submitted that plans for the activities in France, decided upon in July 1939, and the plans for Russia, discussed in October 1940, preclude the suspicion that the leading men of the pharmaceutical branch—as, for instance, Professor Hoerlein—believed in an im-

* Tr. pages 4760–4777, 18 December 1947. The final statement of the defendant Hoerlein to the Tribunal appears in section XII B 4, volume VIII, this series.

pending war. As late as the end of July 1939, Mann and Hoerlein received at Leverkusen and Elberfeld high-ranking representatives of the English pharmaceutical world, on which occasion both parties stressed the international bonds which kept them together.

Documents will be introduced to prove dramatically that since 1933, Professor Hoerlein was in opposition to the Party; especially to Streicher, who supported the fanatical adherents of treatment by natural remedies in their attacks upon pharmaceutical firms, particularly upon Farben; moreover, that he became the victim of a campaign of defamation because he took part in the fight for freedom in the field of science against the plans of Hitler and Goering to prohibit vivisection for scientific purposes.

Professor Hoerlein is ready to assume full responsibility for anything that was carried out under his management of the Elberfeld plant.

In this position he enjoyed a large measure of independence. He jealously maintained his independence; it was just as natural for him to respect the activities of other works, as well as the spheres outside his own field of activities.

Concerning paragraph 42 of the indictment: The defendant Professor Hoerlein's name is mentioned in paragraph 42 of the indictment, which states:

> "Farben performed most of the scientific research in connection with the secret development of poison gas for war. The experiments were carried out by Farben employees under the direction of the defendants Hoerlein, Ambros, and ter Meer, in close cooperation with the Wehrmacht.

As far as this concerns Professor Hoerlein and the Elberfeld Farben works, the assertion of the prosecution has been contradicted by the testimony of witnesses for the prosecution, Dr. Schrader and Professor Gross. I refer to the testimonies of these witnesses (Dr. Schrader tr. pp. 2234–2260, Professor Gross, tr. pp. 2707–2727), and move to drop the charge against Professor Hoerlein as contained in this count.

Should this not be done, I reserve the right to introduce other witnesses to prove the falseness of this paragraph and of the charges contained therein.

Concerning paragraphs 53 and 56 of the indictment: In paragraphs 53 and 56 of the indictment, Farben is charged, among other things, with having held back, through its cartel arrangements, the production of atabrine and sulfa drugs; even more, of having prevented the production of atabrine within the United States before the German declaration of war.

However, the prosecution has not produced any evidence whatever in this respect.

In regard to this point I make the motion: that the Court quash proceedings as far as they concern paragraphs 53 and 56 of the indictment.

By way of precaution I offer to submit proof, by the introduction of documents and affidavits and by an examination of the defendant Hoerlein on the witness stand, that the assertion of the prosecution not only is not true, but that through the discoveries made in Farben's Elberfeld works, which was organized and managed by Professor Hoerlein, every year millions of human lives were saved, and health can be restored to hundreds of millions of human beings if the nations responsible for the territories concerned make use of these discoveries. The number of deaths from malaria alone, against which atabrine has proved to be the principal preventive, has been estimated by diverse authorities to be between 3½ and 8 millions a year. The number of persons suffering from malaria is estimated to be between 500 and 800 millions, which corresponds to from one-quarter to one-third of the present world population.

Count two, as far as it concerns "German plunder in the West," will be dealt with in its entirety by other representatives of the defense.

Professor Hoerlein is mentioned in connection with the second contract concluded by Farben with Rhône-Poulenc.

It can be seen from these documents and from correspondence to be submitted, that Hoerlein recognized the interests of the French partners in the most loyal manner, and that negotiations with representatives of Rhône-Poulenc were carried on in a friendly atmosphere.*

In regard to this, the defendant Hoerlein will make a statement on the witness stand. Moreover, I shall introduce an affidavit by Dr. Mietzsch, who was the constant companion of Professor Hoerlein during the various technical discussions. An affidavit of the Generaldirektor of Rhône-Poulenc will show to you that Professor Hoerlein proved his unconditional loyalty by his deeds.

Concerning paragraph 128 of the indictment: The issues in regard to the procurement, employment, and treatment of foreign workers in general will be dealt with by Dr. Hellmuth Dix.

No evidence has been offered by the prosecution in regard to

* Document NI-8611, Prosecution Exhibit 1275, not reproduced herein, is a letter from "Bayer" confirming agreements with Rhône-Poulenc regarding "future collaboration" between the two firms. It was signed by Hoerlein and Mann.

the Elberfeld works, which has been under the management of the defendant Hoerlein. The only document (*Doc. NI–7513*) referring to this point of the charge is an affidavit Moyeux, which, although contained in the document book, was never submitted by the prosecution. Therefore, the defense finds itself unable to answer concrete assertions incriminating Professor Hoerlein.

Paragraph 131 of the indictment: The argument of the prosecution in regard to this part of the charge is not conclusive. It would have been necessary in the case of Hoerlein to assert and to prove:

a. knowledge, that TESTA,[1] or DEGESCH,[2] respectively, supplied Zyclon-B to the concentration camp Auschwitz, *and*

b. knowledge that this Zyclon-B was intended to be used for the gassing of human beings.

As far as this concerns Professor Hoerlein, the prosecution has only presented the one fact, that he was a member of the Verwaltungsrat of DEGESCH (*Doc. NI–12073, Pros. Ex. 1966*). However, several links are missing in the chain of a conclusive evidence; the assertion that the Verwaltungsrat knew of these particular business transactions is missing. No transcript of such meetings has been submitted, no evidence has been introduced to prove that Hoerlein had obtained knowledge of it in any way whatever.

This cannot be sufficient to admit of the immensely grave accusation by the prosecution.

I, therefore, move for the defendant Hoerlein, that the Court find that this count of the indictment has not been conclusively proven, and that it, therefore, be dismissed.

If the Court declines to do so, Professor Hoerlein will submit proof that he did not take part in any meetings of the Verwaltungsrat at the critical time, and did not receive reports disclosing that Zyclon-B had been supplied to Auschwitz, or the terrible use made of it at Birkenau.

As for the rest, I refer to the evidence in the case of the co-defendant Mann.

Concerning count [paragraph] 134 of the indictment: The prosecution asserts, and I quote:

> "The defendant Hoerlein had total supervision, control, and final responsibility in the field of pharmaceuticals. He was in charge of the factories making pharmaceutical products, and it was Hoerlein who reported to the Vorstand."

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[1] Abbreviation for Tesch und Stabenow Internationale Gesellschaft fuer Schaedlingsbekaempfung m.b.H., Hamburg.

[2] Abbreviation for Deutsche Gesellschaft fuer Schaedlingsbekaempfung m.b.H., Frankfurt.

These assertions have been refuted by the prosecution's own arguments and the proof it has presented up to now.

Although the basic information and charts submitted by the prosecution are not evidence, they must nevertheless, by the prosecution's own arguments, be counted against it.

From the chart submitted as exhibit 47 [Document NI–10029] concerning the various works belonging to Farben, the following facts become evident:

a. That Professor Lautenschlaeger was manager of Betriebsgemeinschaft Maingau (Works Combine Main [River] Valley), to which belonged not only the Hoechst plant which he managed himself, but also the plants producing serums and vaccines in Marburg and Eystrup, while Professor Hoerlein was in charge of the Elberfeld works which were part of the Betriebsgemeinschaft Niederrhein (Works Combine Lower Rhine);

b. That Professor Lautenschlaeger exercised his functions in complete independence of Professor Hoerlein, as is confirmed by the prosecution's submitted affidavit NI–8004, exhibit 307. The final sentence on number four states: "In my capacity as manager I was in charge of research, production and social welfare for the personnel."

The prosecution witness Dr. Struss stated during cross-examination:*

a. "Professor Hoerlein was not the superior of Professor Lautenschlaeger, the manager of the Hoechst works"

b. "In the field of pharmaceuticals, Professor Hoerlein was *primus inter pares*"

c. "The spheres of work in Elberfeld and Hoechst were independent."

The importance of the Pharmaceuticals Committee is accurately recorded in the Basic Information, volume I, page 21. It agrees with the statement of eight members of the Vorstand, which was confirmed by the prosecution witness, Direktor Paulmann, in this courtroom, who stated (*tr. p. 2141*):

> "The Pharmaceuticals Committee was a meeting of all directors of the pharmaceutical departments of Elberfeld, Hoechst and Leverkusen (scientists, manufacturers, publicity and business men), with Professor Hoerlein presiding. They heard reports about new products whose investigation in medical laboratories had been completed, as well as about the results concerning products still in the course of clinical investigation; they reached decisions about their marketing; and they informed themselves about the manufacturing and sales conditions, as well as about patent and license problems * * *."

* Cf. transcript pages 1888–1889.

According to this, the Pharmaceuticals Committee was a meeting of departments of the pharmaceutical branch, all on the same level, for the purpose of mutual information, and without authority to make decisions about business policies or the research of these departments.

The assertion of the prosecution: "It was Hoerlein who reported to the Vorstand," is refuted also by Professor Lautenschlaeger's affidavit (*Document NI–9811, Pros. Ex. 1520*) submitted by the prosecution, according to which he rendered reports about progress attained in the Hoechst and Marburg laboratories.

Although this in itself refutes the prosecution's primary thesis against Professor Hoerlein, we shall submit—in addition to the affidavit of Dr. Lutter, who had been a member and secretary of the Pharmaceuticals Committee since 1934—proof by the depositions of Professor Hoerlein and the eight members of the Vorstand already previously mentioned.

It is true that Professor Hoerlein was, after 1935, chairman of the Aufsichtsrat of the Behringwerke A.G. in Marburg. The functions of the IG Aufsichtsrat were on the whole accurately described by the prosecution when stating:

> "Membership in the Aufsichtsrat was principally an honorary membership."

And in another passage:

> "It [the Aufsichtsrat] convened for the purpose of hearing the report of the Vorstand, and on paper it was responsible for the election of the Vorstand members."

These statements, which apply to Farben as a whole, are also applicable in a still greater degree to the Aktiengesellschaften which were parts, and in reality only branches, of the entire IG, as, for instance, the Behringwerke A.G. in Marburg.

PRESIDING JUDGE SHAKE: Dr. Nelte, it is time for our noon recess, and may we inquire would you be inconvenienced if we should suspend until one-thirty, or are you disposed to want to complete your statement before the recess?

DR. NELTE: I should be obliged to you if I could conclude it before the recess.

PRESIDING JUDGE SHAKE: Very well.

DR. NELTE: In Marburg, the Aufsichtsrat convened once a year in a session to take care of the formalities as prescribed by law; that is to say, to take cognizance of the balance sheet and yearly reports. The Aufsichtsrat had no influence on business policies, and its supervisory powers over the business—not the scientific—activities of the Vorstand also were very limited, since the leader-

ship principle of the Vorstand was introduced in the IG in accordance with the corporation law of 30 January 1937.

By the presentation of affidavits, Professor Hoerlein shall prove that, with one single exception in the prewar years, the yearly balance sheet meetings and the general sessions convened in Leverkusen and, therefore, not in Marburg; and that he exerted no influence upon the business policies of the Behringwerke. The assertion made on page two of the indictment, according to which Professor Hoerlein managed the development of serums and vaccines, is not true. It is also in contrast to the affidavit by Lautenschlaeger, NI–8004, exhibit 307, paragraph 4, submitted by the prosecution.

It is therefore evident that Professor Hoerlein neither managed, supervised, nor controlled any works except those laboratories and enterprises which he managed personally.

The foregoing is not intended to say that the individual pharmaceutical works functioned in complete isolation. There was, of course mutual contact and exchange of experiences, as far as similar spheres of activity were concerned. It would be folly to deny that in this circle Professor Hoerlein's personality, by virtue of his knowledge, experience, and seniority, carried great weight. Such variegated manifestations of the factual importance of individual personalities, existent in all spheres and at all times, have no connection with the organizational question of the right—and consequently of the duty—to issue orders or to exercise supervision.

The same considerations apply also to the relations between Professor Hoerlein and Dr. Mertens, the responsible manager of the scientific department in Leverkusen, which was locally and organizationally attached to the Sales Combine Pharmaceuticals. This scientific department received from Elberfeld—as well as from Hoechst—preparations after they had been developed in laboratories and in experiments on animals.

Through the testimony of the Professors Dr. Domagk, Kikuth, and Weese, all subordinated to Professor Hoerlein, it will be proved that these preparations did not leave the Elberfeld works until they were approved, in the most conscientious and responsible manner and according to the latest scientific developments, as promising for the treatment of certain diseases. A detailed exposé covering this subject was issued to the scientific department which enumerated all the data for the therapeutic treatment, as well as any corollary reactions which it was humanly possible to foresee. On the basis of this report the scientific section, on its own responsibility, instigated the clinical examination in that it gave the preparation and the exposé to recognized, experienced, and reliable doctors for testing.

Although, in principle, the work of the Elberfeld works was completed when the preparation and the exposé were passed on, it was only natural that the experiences and queries arising from the clinical testing of Elberfeld preparations led to constant discussions with the Elberfeld offices.

In order to cover this entire complex, the exposés on the Elberfeld preparations B 1034 and methylene blue will be presented; in addition the testimony of Dr. Mertens and his subordinates, Dr. Koenig and Dr. Luecker, will be offered. These witnesses will also comment on the conception of clinical testing and therapeutic experiments, and explain that the clinical tests concerned here were not "experiments" as maintained by the prosecution in this trial.

The explanation of the indictment in the Doctors' trial gives clear directives, which are recognized by the defense, for the general judgment of this question. It states:

> "Now, the only question which we have with respect to this exhibit is whether or not this disease, typhus, was naturally or artificially contracted by the thirty-nine experimental subjects. I take it no crime was committed if, in fact, these thirty-nine unfortunate people just contracted the disease in the Buchenwald concentration camp and then were used as experimental subjects to test the reactions of these two drugs, Rutenol and Acridine. I say the prosecution will so assume." (McHaney, page 1127, Record of the Doctors' Trial)

Although Professor Hoerlein had no influence in, and therefore no responsibility for, the selection of the doctors to whom the Elberfeld drugs were given for clinical testing, these cases will be dealt with here because the prosecution maintains that such therapeutic experiments with Elberfeld preparations in the concentration camps were known and promoted.

Dr. Vetter was a subordinate of the above mentioned Dr. Luecker. He (Dr. Luecker) and his superior, Dr. Mertens, will certify that Dr. Vetter was not subordinate to Professor Hoerlein. It is proven through an affidavit by Dr. Vetter and through Professor Hoerlein that after he was drafted into the Waffen SS, Dr. Vetter neither spoke nor corresponded with Professor Hoerlein, and furthermore, that during his service with the Waffen SS, he received no remuneration whatsoever for his activities in the interests of the IG. His emoluments were the same as those received by every other employee of the IG who had been drafted into the armed forces on the basis of prescribed regulations.

The prosecution has not proven that Professor Hoerlein issued orders to the effect that Elberfeld drugs were to be tested in clinical experiments in concentrations camps or other camps. Nor has

the prosecution asserted that Professor Hoerlein was ever in a concentration camp. Neither do the documents presented by the prosecution show that Professor Hoerlein received a report from which he could have concluded that the Elberfeld preparations were being tested on concentration camp inmates. Without drawing a conclusion from the private letters which Dr. Vetter sent to his fellow workers in Leverkusen, the testimony of Dr. Mertens and Dr. Koenig shows that Professor Hoerlein never had any knowledge of these letters.

Any knowledge which Professor Hoerlein could have had would have been gained through the scientific section Leverkusen. The witnesses, Dr. Mertens, Dr. Koenig, and Dr. Luecker, will certify that Dr. Vetter never spoke to them about experiments on concentration camp inmates, much less about experiments to which the medical profession would have objected.

At first Dr. Vetter worked in Dachau. It was during this time that the letter was written which the prosecution has quoted as follows:

> "In August 1941, in a letter addressed to his 'chief' at Leverkusen, Dr. Vetter wrote that he is now 'in one of the largest and best equipped concentration camps.' He stated further: 'as you can imagine, I have ample opportunity of experimenting with our preparations.' "

As shown by comparison with the letter (*Doc. NI–9402, Pros. Ex. 1692*) presented by the prosecution itself, the letter did not state: "I have ample opportunity of experimenting with our preparation," but rather "especially as I have the opportunity to put our new preparations to the practical test [praktisch auszuprobieren]."

The meaning of this difference becomes clear when one takes into consideration the fact that all preparations which were sent to Dr. Vetter in Dachau were available on the market; i.e., could be purchased in any pharmacy, so that there could be no talk whatsoever about "experimenting."

The second quotation of the prosecution in the opening statement: "We are sending large quantities of the requested preparations to you * * *" does not agree with the wording of the letter submitted by the prosecution (*Doc. NI–9403, Pros. Ex. 1694*). The letter states:

> "should you need any further quantities of samples, we ask you to obtain them directly from the Pharmabuero in Munich, as this is more expedient. We are, of course, always ready to supply you with additional samples, should there ever be a tem-

porary shortage of any preparation at the Pharmabuero Munich."

Finally, the prosecution's assertion that this letter was signed by Dr. Mertens is false, as is shown by the same document.*

Consequently, the prosecution's assertions concerning the Dr. Vetter-Dachau complex are refuted, especially since no reports by Dr. Vetter concerning the application of the remedies sent to him have been presented.

Dr. Vetter later received preparation B 1034 from Leverkusen and, as is shown by the evidence presented, used it in Monowitz and Mauthausen. In this connection the witnesses, Dr. Mertens, Dr. Koenig, and Dr. Luecker, will certify:

a. that Dr. Vetter, whom they knew as a conscientious doctor, urgently requested his colleagues in Leverkusen for help in combating the typhus epidemic;

b. that this preparation, which had already been tested by many other units, was given to him together with the exposé;

c. that preparations were never given to him which had not already been tested in other German hospitals and medical centers;

d. that on the basis of experience, this preparation could not cause harm to the health of any patient insofar as it was humanly possible to judge.

e. that Dr. Vetter never stated or reported that this preparation was ever applied to patients other than therapeutically;

f. that above all, he never mentioned the treatment of healthy persons who had been artificially infected;

g. that Dr. Vetter in his reports or conversations never mentioned that he had treated concentration camp inmates with this preparation, and consequently it was impossible for Dr. Mertens to report something to Elberfeld that might have led to the suspicion of its being misused.

In this connection I refer to the statement of the prosecution witness, Pohl, according to which the IG had nothing to do with either the medical care of the concentration camp inmates or with providing medicines for Monowitz; moreover that the works management had no influence with regard to the appointment of camp physicians or their treatment methods; finally, that the camp physicians were under strictest orders of secrecy.

The prosecution has linked Dr. Hoerlein with the therapeutic experiments with methylene blue, which Dr. Ding—according to the Ding diary—is supposed to have carried out in January 1943 in the Buchenwald concentration camp.

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* Document NI-9403, a letter from Scientific Section I, of Bayer, to Dr. Vetter at Dachau, was signed by Drs. Luecker and Koenig.

Concerning the prosecution's statement in this connection that, "In September 1942, the defendants Hoerlein and Lautenschlaeger urged Mrugowsky to test the therapeutic effects of the preparations 3582 'Acridine' and 'methylene blue' on typhus," no evidence has been produced. I do not want to encroach upon the territory of Dr. Lautenschlaeger's defense. As far as the preparation methylene blue is concerned, the effects of which upon the causative agent of typhus were discovered by Professor Kikuth of Elberfeld, we refer to the exposé to be submitted which shows that methylene blue was *not* a *new* preparation, but on the contrary, had been known and on the market for decades, and as far as could be foreseen it could not have any harmful, but rather some favorable, effects upon typhus patients.

Now, I am going to skip the next sentences which I will submit to the Tribunal in writing, and continue on page 19.

When a concrete deed is submitted to the judge for examination, the personality of the perpetrator is only of secondary importance. The psychological analysis is not essential for the causality of what happened.

Here things are different. I take it that in the Hoerlein case not even the evidence of objective causality can be submitted. However, in view of the prosecution's attempt to create a sort of assumption by construing certain peripheral connections with the aid of combinations, I am compelled to throw more light on Professor Hoerlein's personality. Obviously, it is the tendency of the prosecution to assume certain motives, such as greed for power, National Socialistic attitude; and from them, draw conclusions of individual readiness to leave the path of ethics.

In supplementation of the evidence already submitted, I shall submit numerous affidavits from Germans, Jews, and persons of foreign nationality. The result will be a picture of a man who, during the bad years after 1933, preserved a courageous and noble heart; a man to whom great injustice is done if one calls him, as did the chief prosecutor, a "sickly spirit" and an "architect of the catastrophe." It is contrary to any experience in life, and therefore cannot be accepted without concrete counterevidence, that a man who devotes his life to the welfare of humanity, who day and night reflects upon how he can ease the sufferings of his fellowmen, can, at the same time, cold-heartedly do things or permit things which would make the purpose of his life illusory.

In the "Neue Zeitung" I read yesterday of the ceremonial award of the Nobel Prizes in Stockholm. Dr. Gerhard Domagk, director of the pathological laboratory of the Bayer concern, appeared for the presentation of the Nobel Prize awarded to him in 1939 for discovery of the medical effects of sulfanilamide. Professor

Domagk worked with and under Professor Hoerlein in the Elberfeld Farben plant.

Whereas the world pays tribute to Professor Domagk, and thus also to the Elberfeld plant, by presentation of the highest scientific award, the organizer and director of the Elberfeld plant, Professor Hoerlein, who was given honorable mention together with Professor Domagk by North American newspapers for work on the sulfa products, stands at the same time before this Tribunal as a defendant.

PRESIDING JUDGE SHAKE: Now, Counsel, we have exceeded our usual time by about twenty minutes. Can you return by one-thirty and get your lunch, or would you prefer that we extend the recess to one-forty-five? That seems to be the sentiment.

DR. BOETTCHER: Mr. President, our dining room is extremely overcrowded at present. I believe, if we want to be punctual, we cannot be here before two o'clock.

PRESIDING JUDGE SHAKE: Very well. May I just ask one thing further? Can you tell us, Doctor, whether you are keeping up with the schedule as far as your opening statements are concerned, or are we getting into any trouble with the schedule?

DR. BOETTCHER: I believe that some counsel desire to speak a little longer, but only a few; others, however, will speak a little more briefly.

PRESIDING JUDGE SHAKE: Very well. The Court will now adjourn until two o'clock this afternoon.

(The Tribunal recessed until 1400 hours.)

H. Opening Statement for Defendant von Knieriem*

DR. PELCKMANN (counsel for defendant von Knieriem):

May it please the Tribunal: The arguments of the prosecution are directed in general against all defendants with regard to their position in or towards the NSDAP, or their importance within the German economic life.

The defendant Dr. von Knieriem held himself completely aloof from Party circles, except for his formal entry into the NSDAP in 1942. His collaboration within the self-administration agencies (Reich Group Industry, Economic Group Chemical Industry) and state organization, came about because he was recognized as an expert on questions of patent, cartel, and corporation laws; this was confined to these specific fields.

* Tr. pages 4779–4781, 18 December 1947.

The defense regarding the specific counts of the indictment necessitates an explanation of the position and the sphere of responsibility of the defendant.

Dr. von Knieriem was—at any rate after 1938—the first lawyer of the IG. This designation and the meaning of this position can be understood only if one is familiar with the decentralization system of legal matters at the IG.

Dr. von Knieriem was not the chief of the legal department of IG, because such a department did not exist; nor was it his duty to take care of legal matters. The judicial activity in such an enterprise is an auxiliary function, assisting the technicians and businessmen in their tasks, and just like the latter it was completely decentralized. A number of independently working legal departments existed, which, on their own responsibility, advised the technicians and businessmen in their respective offices. Herr von Knieriem did not supervise the activity of these legal departments and did not have to do so. Any other arrangement was impossible, if only because of the size of the enterprise; it was impossible, too, because of the diversity of production and the complexity of the chemical field in general, which obliged the jurists in the various legal departments to become technically and commercially informed experts. Owing to the independent functioning of the various legal departments, the Central Office for Contracts [Zentralstelle fuer Vertraege] was set up; at the conclusion of new contracts its sole task consisted in examining the possibility of any conflicting interests. There was also the so-called "Rechtsausschuss" (Legal Committee). It met about twice a year under the chairmanship of Herr von Knieriem to coordinate certain doubtful general questions and to receive reports such as those submitted by Herr von Knieriem regarding his special field of activity in internal matters pertaining to corporation law—as for instance, general meetings, consolidated balance sheets, balances, capital changes, statutes, charters, loans, structural changes within the concern—furthermore, questions concerning the sphere of patents, which played a large part within the IG and was under the direction of Herr von Knieriem, whereas this field was not in the line of the other IG jurists.

Among the counts of the indictment which touch upon the spheres of Herr von Knieriem's activity, or in which business events are connected with his name, incidents are mentioned which are unjustly viewed as suspicious collaboration with military or other state authorities toward the preparation of an aggressive war. I shall show in detail that the treatment of patent matters was unobjectionable in every respect. The measures designated as "camouflage" do not indicate in any way that the

IG or my client had any knowledge of an imminent aggressive war, or even that the intention was prevalent to promote such a war. The charges that the IG intentionally tried to weaken the war potential of other countries through its so-called cartels will be proved to be completely unfounded during the hearing of evidence, since the purely private economic character of such agreements has been established. In that connection, I shall go into details concerning the contractual relations with the Standard Oil Co. of New Jersey, created with the collaboration of Dr. von Knieriem, which have been treated in detail by the prosecution. Despite the large number of documents submitted by the prosecution concerning the cartel question, I shall restrict myself to the facts essential for the trial, because I am well aware that the fundamental question of the value or non-value of cartels need not be examined either by the prosecution or by the defense.

The personal knowledge of my client about the so-called rearmament measures which have been criticized by the prosecution, and his attitude to them, will be dealt with in the course of my statements.

In the course of the discussion of general questions concerning all defendants, I shall submit facts pertaining to the joint responsibility of the Vorstand and the responsibility of the individual members of the Vorstand, and I intend to show in what manner the code of business procedure, submitted by the prosecution, and drawn up at the time by Dr. von Knieriem, was handled in practice.

I. Opening Statement for Defendant Ter Meer*

DR. ERICH BERNDT (counsel for the defendant ter Meer): Mr. President, Your Honors: In his introductory speech, General Taylor lodged the most serious charges against the defendants. He accused them of responsibility "for the most devastating and catastrophic war in human history, of wholesale plunder and spoliation, of mass enslavement and mass murders." These are the gravest charges which, in any period of history, were ever leveled against industrialists, as members of a vanquished nation, or against economists and scientists who never held offices as Ministers or Party leaders responsible for policies of state. What abysmal depravity is imputed by the prosecution to these individuals; the same men, who, until the outbreak of the war,

* Tr. pages 4781–4788, 18 December 1947.

collaborated on a basis of friendship with the industrialists and businessmen of America and the rest of the world in a spirit of sincere mutual confidence for their common profit and prosperity? Is it really intended to make this Court and the world believe that all of this was merely a farce, and that these industrialists had secretly plotted raids, lootings, enslavement, and wholesale murder, and that they were capable of such fiendishness?

Through industrious labor, the prosecution has endeavored for more than two years to formulate a theory by which it hoped, candidly speaking, to build the steps to the gallows for the defendants.

The prosecution has tried to prove [its case] with a wealth of documents culled from mountains of Farben files, most of which were torn from their natural business contexts, linked together by an apparent systematic design and mixed with excerpts from Hitler's "Mein Kampf"—that much-circulated but little-read book—basing the guilt on the theory of alleged common knowledge. Thus has the prosecution tried to prove that these defendants were guilty, for instance, of Hitler's crimes, or wars of aggression; indeed, even of the gassings in Auschwitz.

The gravity of the terrible accusations with which the defendants are charged imposes on the defense the duty to set forth the true connections and facts with the greatest accuracy and most painstaking care, in order to help the Court to find the truth and to reach a just verdict. The fulfillment of this duty requires considerable time, which must absolutely be conceded to the defense.

Your Honors! In this place, with your permission, Dr. Fritz ter Meer stood as first of the defendants in order to cross-examine an expert. You will surely have gained the impression that he is a man who knows his business; indeed, has mastered it to such a degree that he was completely absorbed in his work and cared for nothing else—least of all, as I shall prove, about politics. You have read several of his important affidavits; for instance, the one about the structure and development of I.G. Farben.

Dr. ter Meer expressed himself in these affidavits about many important happenings. Even though he might have erred in one or the other small detail (being in custody, he had to write without records about events which took place years ago), under no circumstances will it be possible to prove that he deliberately made an untrue statement. It is not necessary for him to give false testimony. Even if hardpressed, he will not resort to lies. His is not the character to do this. What he did was not wrong—and still less a crime. My client therefore, stands up for everything he has done. Since he is a good witness, I can use him to a large extent for my proof.

The prosecution accuses Dr. ter Meer under all counts except count four. Concerning count five, the charge of participating in a conspiracy to commit war crimes and crimes against humanity, I refer to the motion submitted yesterday. This was the motion submitted by Dr. von Metzler, and for the reasons stated in that motion, I ask for a verdict of "not guilty" for my client with respect to count five. Regarding count one, I consider the charge of the prosecution, even on legal grounds, to be insufficient. Therefore, in the above mentioned motion, submitted yesterday, I requested for my client a verdict of "not guilty," which I repeat now.

Nevertheless, I wish to make clear, as a precaution, the following: My client categorically denies having known anything at all about Hitler's and his [Hitler's] close confidants' war plans, as set forth in the IMT judgment. With the greatest emphasis, he rejects the assumption that he participated in, approved of, and knowingly supported those plans. His collaboration in the development and growth of Farben, especially in the field of synthetic rubber, helped to increase the economic power, and hence necessarily, also the military potential. However, this in itself is not subject to punishment according to the findings of the IMT judgment. I shall offer proof that Dr. ter Meer, be it as head of TEA, of Sparte II, or at any other stage of his business career, was at all times guided in his activities by considerations of a purely economic character only. Pleasure, not in destroying, but in creating, was always the mainspring of his actions.

My client was not free to choose when making his technical and economic plans. In this connection it appears necessary to briefly mention one general question, the one concerning the relations between the state and the economy as they developed in Germany prior to the end of the war. The prosecution tried to picture the situation as if Farben, acting through its Vorstand members who now stand accused here, had made common cause with Hitler as his coequal and copowerful partner. This assumption rests on a complete misconception of the true conditions which prevailed in Germany. I therefore deem it incumbent on the defense to explain that, in Germany, the state played the predominant part in its relations with industry, and that it increased its influence from year to year. I shall prove that this influence increased in the period following Hitler's accession to power in 1933 to such an extent that soon one could no longer describe it as a guided, but merely as a dictated, economy. In view of Hitler's cunningly contrived dictatorial system, industry could not escape this steadily growing tutelage by the state and its organs, to which was added that of the NSDAP and all of its agencies. To do this was impossible, even for a firm the size and importance of I.G.Farben.

Reluctantly, it was reduced, step by step, from the position of an independent company to a condition of working merely under government directives. By orders and ordinance, the state intervened increasingly in the plants and regulated—as will be shown by the evidence—numerous details in the fields of production and employment.

The prosecution left all of this out of consideration. It tried to convey the picture as if Farben itself had inspired or desired the measures which were taken preponderantly to realize a common plan for the preparation and waging of aggressive wars.

In this connection the prosecution refers, among other matters, to Vermittlungsstelle W in Berlin. I shall offer evidence that this agency was not of such far-reaching importance as is assumed by the prosecution, and that it had absolutely nothing to do with the planning of a war of aggression. At a time when the authorities exercised increasing influence on German private industry, it was absolutely necessary for a Konzern the size of Farben to establish a Vermittlungsstelle W in order to maintain constant contact with the various official agencies in order to keep numerous works and offices informed, and to promote uniform conduct within the Konzern relative to measures ordered by the authorities.

My client is pictured in the indictment as having deliberately prepared for a war of aggression by having carried out the synthesis of rubber. I shall prove that this is entirely erroneous. Merely because a Hitler held the reins in Germany, should Farben have locked into a safe its research work about the synthesis of rubber, commenced in 1906 and recognized by the entire scientific world? All measures taken by Farben in connection with the realization of the buna synthesis prove that its careful preparations were motivated by economic and technical considerations which, in 1936 and 1938, finally led to the construction of the large plants in Schkopau and Huels. These were not hastily constructed factories for an expected war, nor emergency shops for the military authorities—they were model plants of the German chemical industry which, according to Farben's and my client's intentions, were to offer to thousands of employees and workers a secure and happy future under normal, peaceful conditions.

The prosecution now makes the assertion that Farben, in agreement with the Nazi government, deprived the United States of this very technique of manufacturing buna by not informing its American contractual partner, the Standard Oil Company, of the so-called "know-how," in order to weaken the American war potential. I shall prove that this assertion does not coincide with the facts.

This situation was entirely different in the United States, because there was no lack of foreign exchange, which made it possible to purchase good and cheap natural rubber according to requirements; consequently, the application of the complicated German buna process, based on carbide as raw material, had, from the beginning, little prospect of success. Nevertheless, measures were taken in this matter in the United States which, however, were without practical results. Consequently, after about 1937, Farben developed a specific process for the United States based on crude oil as raw material. In the latter part of 1938, my client offered this process (which, in the meantime, had become reasonably perfected for manufacturing purposes) to the Standard Oil Company and, in complete agreement with it, worked out a plan to materialize this process in a major plant. In addition, it was demonstrated to the technical engineers of Standard Oil at the experimental plant in Oppau. Calculations made jointly with Standard Oil showed an American cost price which approached that of natural rubber. One of Farben's top experts informed the American tire industry in 1939 of all details concerning the production of tires protected with buna. Then war broke out and wiped out the development which came so close to being realized. These are the facts which I shall prove.

During the presentation of proof by the defense it will be shown that the entire peace production potential of Farben was not created with a war of aggression in mind, but was based on considerations of a peacetime economy.

The standby plants which had been built for war emergencies were of infinitesimally small proportions in comparison with the rest of Farben's plants and were, without exception, erected upon government orders. Not Farben, but the Reich, owned and financed them.

Your Honors, all economic and technical achievements of any industry serve the progress of all nations and improve the people's standard of living in every country. The fact that such achievements at the same time strengthen the war potential is an unavoidable consequence of modern war, which is fought with a totalitarian concentration of all technical resources. An example may illustrate this point:

When nylon was perfected after ten years of work by the well-known American firm of Du Pont, the underlying motive was surely a peaceful one; in that case to provide women with better and more durable silk stockings. Well, nylon was used during the war as parachute silk by American and English fliers. Nobody will, on that account, accuse Du Pont of having prepared a war of aggression.

Concerning count two, it appears to me that the legal opinions set forth by the prosecution are not suitable for justifying the charge of criminal conduct by my client. I shall argue this aspect in my final pleadings. Today I want to point out only one idea, namely the concept of a total European economic area, which formerly gained weight in many leading economic circles of Europe. An idea which, even today, though in a somewhat different form, is proposed by many political and economic experts, including some in America. These viewpoints shaped my client's aims to maintain, operate, and improve, as far as possible, these foreign enterprises in the general interest of the national economy as well as for the welfare of the employees and laborers.

My client took part in negotiations leading to the founding of Francolor. The defense will prove that the founding of Francolor was based on sound economic considerations. It was intended to promote mutually satisfactory cooperation in the fields of dyestuffs and organic products, and to eliminate frictions which had persisted for decades. Farben put at the disposal of the abovementioned spheres of work its full treasure of technical experience. It paid for the transfer of French participation rights, amounts equal to the value of the plants and rights taken over.

I now finally turn to count three, concerning slave labor. In this count, the prosecution made the most serious charges, morally speaking. As far as these accusations are directed against any of the defendants, they bear the wrong address. The defendants cannot be charged as criminals because foreign workers and also concentration-camp prisoners were employed against their will in Farben works. The defense shall offer evidence that, in these instances, Farben merely executed binding orders issued by competent authorities concerning the allocation and employment of foreign workers, prisoners of war, and concentration-camp inmates, in the same manner as all of German industry was compelled to do. Any resistance to these orders was entirely impossible. It would have been nipped in the bud immediately and punished by the most drastic measures, as sabotage of production ordered by the state, without any prospect whatever of changing the labor conditions of these workers.

Dr. ter Meer shall tell you, himself, on the witness stand, what he knew about the employment of foreign workers drafted for labor service, and about the utilization of concentration-camp inmates. He emphatically refutes the charge that he knew anything at all about ill-treatment. Your Honors, you have come from America to pronounce a verdict in Europe. You are citizens of the United States of North America, and you are to pronounce sentence upon these Germans. Yours is the duty to sit in judg-

ment of events which took place in Germany and Europe. This task of yours is difficult. These events occurred during a period which not even we Germans are in a position to explain or comprehend.

We of the defense will help you as much as we can in this difficult task. We bear the proud title, "Rechtsanwalt" [attorney-at-law], which means that we are defenders of justice. We shall do our part, with all of our might, to insure that, in this trial—one of the greatest in world history and surely the greatest in the annals of economics—there will be only one victor—Justice!

J. Opening Statement for Defendant Schneider*

DR. HELLMUTH DIX (counsel for defendant Schneider): Your Honors: Within the framework of the general defense, I shall discuss the subject of foreign labor, i.e., the fundamental legal problems resulting from it and pertaining to count three of the indictment. The subject concerning prisoners of war and ordinary prisoners will be dealt with elsewhere within the framework of the general defense. In respect to the problems which I shall discuss, the prosecution considers all defendants guilty. The prosecution bases its opinion to a large extent on the judgment of the International Military Tribunal. That judgment, however, referred to persons who exercised political leadership and guidance in introducing and carrying out the forced-labor program. Consequently, it also dealt primarily with the methods by which the public authorities recruited and secured workers for the German military economy. The type of work performed at the place of employment and the living conditions were discussed by the International Military Tribunal, within the framework of the entire program, only in reference to bad conditions which were mainly due to official directives, or to their effects in connection with the war events and should, therefore, be attributed only to the responsible leading persons involved in that trial. The specific legal and factual conditions—to which the German economy, and particularly the individual private industrialists, were necessarily subjected in the course of events—were discussed in detail neither in the judgment of the International Military Tribunal, nor by the prosecution of this trial.

In this trial, too, it will be the task of the defense to point out these conditions. Owing to modern techniques of warfare, Ger-

* Tr. pages 4789–4794, 18 December 1947.

many was gradually forced to make its entire manpower available for armament purposes and other necessities of the struggle. Other European countries experienced a similar development. I shall submit to the Court the basic legal provisions in this respect. Even in non-totalitarian states, the conception of compulsory labor service prevailed more and more during and after the war. As the war progressed and the requirements of the troops increased, the manpower available in Germany by no means sufficed to cover the demands of industry and agriculture. The government therefore decided to cover these requirements by utilizing the population of countries occupied by German troops, or that of other European countries. This was done at first by voluntary recruitment and later by so-called labor conscription. I shall present documents to show the methods by which this was done. Everywhere the details of procurement and treatment of foreign workers were regulated by laws or decrees or international treaties. Nor were provisions for welfare and leisure overlooked.

In view of this comprehensive program, the smallest details of which were subject to official regulation, the average German entrepreneur in all fields of economy never entertained the thought that there was anything illegal or criminal or inhumane in employing foreign workers, provided he took proper and good care of them in accordance with the respective regulations. Hundreds of thousands, yes, even millions of farmers, craftsmen, and industrialists were in the same position. With the increasing effectiveness of modern technical warfare on land, at sea, and in the air, the life of the people came to be directed and regulated in all details by government measures. It would hardly have occurred to any one of these German businessmen to check the legality of these events on the basis of traditional German conceptions of international and public law, and it would have been most difficult to do so in National Socialist Germany during the war, owing to the secret location and transfer of many libraries. In any case, he would not have been able to refute the general conceptions outlined above. Within the scope of presentation of evidence I shall deal briefly with this [situation] and its historic reasons. Perhaps the argument will be put forth that these Germans might have been taught better by a study of foreign systems of international law.

This leads me to the last and most important point which I shall discuss when presenting my evidence, and which excludes the culpability of the individual private industrialist and farmer in connection with the employment of foreign labor. In this modern, so-called 'total" economic war, production—regardless of its type —carried out by the manager of a large industrial or agricultural

undertaking was always of decisive importance for the outcome of the war, and he was actually not in a position to oppose successfully the foreign labor program. Mere criticism as such would probably have resulted in destroying the livelihood of the person concerned and in [his] detention in a concentration camp, which would have involved loss of freedom and perhaps even loss of life. The judgment of the International Military Tribunal itself confirms that, after the consolidation of power by the National Socialist regime, all criticism was strictly prohibited, even as early as before the war, and any free expression of opinion was absolutely out of the question. Furthermore, a large plant would never have been able to fulfil its production orders without the allocation of foreign labor, and its manager would, in such case, have been convicted of sabotage and treason, in accordance with the extremely severe regulations which I shall also submit to the Court. Yet this would by no means have had any effect on the allocation of foreign labor.

On the other hand, not only would the livelihood of such a man and his family have been destroyed, but, in accordance with the psychological laws of dictatorships and their reaction to opposition, the lives of people near to him would have been imperiled to the highest degree. Consequently, such opposition on the part of a private business man which, at best, would have proved useless, was not only in fact impossible, but, in accordance with the judgment of the International Military Tribunal, could not have been justified from a moral point of view.

Responsibility for a political program such as the slave-labor program may, therefore, be placed only upon the political leaders, as was done by the judgment of the International Military Tribunal. They alone, even during a war, were in a position to obtain information about the legal and factual aspects required for a decision on this question. For a private person, this was made impossible by the strict control and strong influence over sources of information exercised by law, terror, and propaganda in National Socialist Germany. Hundreds of thousands of German industrialists and farmers, therefore had no choice but to look after the foreign labor allocated to them, to the best of their ability, within, and if possible, even beyond, the limits permissible.

My colleagues and I will prove, during presentation of evidence relating to the individual plants, that Dr. Schneider and the other defendants, after having first (only very reluctantly) submitted to the introduction of foreign workers, did all they could to improve the lot of the foreigners, entrusted to them by law and the authorities, as much as possible. I shall prove further that, in doing so, they only acted in conformity with the spirit of out-

standing social achievements known generally to be in the tradition of IG.

I am convinced that this evidence and establishment of the true facts are, for this Tribunal and for the public, the best answer to the charges and the contention of the prosecution, that IG did, within the framework of its foreign labor program, participate in enslavement and mass murder on a tremendous scale. Consequently, I consider it right to spare the Tribunal and myself the trouble of replying to the strong words of the prosecution in a similar manner.

After concluding the presentation of evidence on this fundamental point of count three of the indictment, I shall deal with the personal responsibility of the defendant Schneider and the problems connected therewith. I shall prove that the defendant was a social-minded and just works manager and a successful inventor and technician—a man who abstained from politics, loved peace, and never intended to prepare military aggression, either by his work or by any other means, or to lend his support to such preparations.

My defense colleagues, and particularly my learned friend von Metzler, in his defense motion submitted yesterday, have emphatically and convincingly shown that, up to now, the prosecution has in no way substantiated its statement, or furnished proof in this respect.

The Tribunal, however, has not yet decided this point. If it should become necessary later, I shall—in fulfilment of my duty as defense counsel—present evidence showing that the technical tasks and achievements of the defendant Schneider in his sphere of work served peaceful aims in peacetime, and in no way served to prepare aggressive war. Neither from his work nor from any other source was Schneider able to recognize the aggressive intentions of Germany's political leaders. The defense will show that even in wartime he only complied, like millions of other Germans, with the orders of his Government and fulfilled his duties as a citizen. These facts exonerate Schneider from responsibility in all parts of count one of the indictment.

With regard to count two of the indictment, I shall probably examine the defendant only briefly as witness, because the events relating thereto dealt with by the prosecution do not in any way fall within his sphere of work. In answer to the question of the Tribunal, he himself pleaded not guilty under this count. In my final plea, I shall establish the correctness of his answer, based on the evidence of the prosecution and the entire defense counsel.

Finally, I shall refer again to count three of the indictment and prove the nature and limits of Schneider's responsibility, particu-

larly in his capacities as Betriebsfuehrer of Leuna and Hauptbetriebsfuehrer of IG, referring to the provisions of the law and actual practice, within the framework of evidence to be presented by me. This will prove that Schneider, within the limits of these responsibilities, in all matters with which he had to deal or which otherwise came to his attention, did everything possible and even more to fulfil his legal and human duties in conformity with the law. It ensues from these facts that he should not be charged under count three of the indictment.

I probably shall not deal personally with count five of the indictment, but will refer to the statements of my defense colleagues; however, I do intend to present evidence to prove that the defendant Schneider was not a member of the SS, i.e., a criminal organization within the meaning of the judgment of the International Military Tribunal.

The career of the defendant Schneider was determined not only by his professional achievements, but primarily by his character, particularly by his strong sense of justice and responsibility. It is my conviction that the same qualities must, and will, influence the outcome of this trial in accordance with the arguments presented by the defense.

With permission of the Tribunal I should like to state briefly the following in connection with the trial brief of the prosecution, part two. The trial brief shows how little a businessman, or even the ordinary jurist, can foresee the conclusion which unfortunately is drawn, even by official quarters, from the frequently vague principles of international law. According to this brief, the relationship of Germany to Austria and the Sudetenland (the population of which, enthusiastically and according to the majority's will, was annexed to the German Reich in 1938, with hardly any protest and even with the approval of foreign countries) falls for the period 1938 to 1945 under the regulations of the Hague Convention. On the other hand, the attacker is to be denied the privileges of these regulations. This is a conception which the authors of this regulation undoubtedly had not thought of, and which portends the end of international law, because every state usually considers itself as the one attacked.

This reasoning shows how important it is, in view of the vagueness of many international legal theories, that the responsibility for far-reaching political decisions and measures rests only with the political leaders who are acquainted with the circumstances and the aims of their respective governments. If, in its judgment, the International Military Tribunal has been influenced by the changes, it has followed the best traditions of our science in this matter.

K. Opening Statement for Defendant Ambros*

DR. HOFFMANN (counsel for defendant Ambros): May it please the Tribunal. My opening statement for Otto Ambros cannot consist merely of the announcement of exonerating evidence to be submitted to disprove the assertions advanced by the prosecution.

My knowledge of Otto Ambros compels me to give you, Your Honors, in this opening statement, an idea of the significance of this man's work.

Otto Ambros looks upon his profession of chemist as a vocation, and is passionately devoted to it. The enormous development of a vital part of modern organic chemistry is inseparably connected with his work as a chemist.

In this connection, I refer to the construction of the first plants for the manufacture of synthetic rubber; the development of the many new plastic substances; the solvents and resins; and the intermediates for the manufacture of synthetic dyestuffs, pharmaceuticals, and hundreds of other chemicals.

This list may, perhaps, give only the expert a precise idea of the actual scope of Otto Ambros' work. To describe the actual significance of his work in its effects on daily life would, however, go beyond the scope of this opening statement.

Otto Ambros, who started his industrial career with Farben in 1927 (following his period of apprenticeship with Richard Willstaetter), regarded I.G. Farben as a chemical enterprise exclusively.

It may be true that the merchant and the financier could offer him the outer framework, but that was all; the substance, for Otto Ambros, was chemistry.

At the age of 36, after he had worked for only about 10 years in the IG, Otto Ambros was appointed a member of the Vorstand.

At that time he was not a Party member, nor was the appointment due to any other connections.

In view of the field of work which Otto Ambros represented in the Vorstand, it was inevitable that he should, in his capacity of one of the leading chemists in organic chemistry, continue to restrict his activities to scientific and technical matters.

He personally directed a number of important boards of experts within I.G. Farben. There was no time left for official activities outside his firm.

The evidence will show that Dr. Otto Ambros drew a very definite line between himself and the totalitarian organization of the

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* Tr. pages 4794–4813, 18 December 1947. The final statement of the defendant Ambros to the Tribunal appears in section XII B 5, volume VIII, this series.

Reich, and endeavored to retain his freedom as a scientist and technician.

He voiced objective criticism on the over-organization of state control when it became unbearable for industry.

In his cross-examinations* during the prosecution's presentation of evidence, the Tribunal gave Otto Ambros an opportunity to explain his special field of work by means of an illustration of a mighty tree with many branches.

An expert for the prosecution confirmed the outstanding significance of this modern chemistry for peacetime purposes, as compared with the few branches which were exclusively devoted to military armament. The evidence will confirm this impression and clearly prove that Otto Ambros had no influence on the establishment and speedy expansion of plants which served the purpose of armament.

The evidence will show furthermore that the three branches for whose development Otto Ambros is being held responsible—namely, poison gas, preliminary products for powder, and above all, buna—were much too weak at the beginning of World War II to survive a modern war, much less to aid the preparation of a war of aggression. In any case, Otto Ambros could not deduce from his sphere of work that Hitler might be planning a war of aggression.

During the war, his feelings were those of a German—and who would blame him for that? But, in spite of the intensive influence exerted on the individual by the dictatorship of the Third Reich, and even in those horrible times when it was an almost weekly occurrence for one of his plants, or his own home town, to be hit by a mass of bombs, he calmly examined the problem of where to draw the line in this murderous struggle.

It is this very point which the defense will elucidate in great detail.

How little spare time was left in such a full life—even his days did not have more than 24 hours—has evidently not been realized so far by those who, in addition to all this, want to hold Otto Ambros responsible for incidents with which he, as a chemist, had nothing to do at all.

This, at the same time, brings us to the attitude of the defense with respect to count two of the indictment: "Plunder and spoliation."

In this field too, where the name of Otto Ambros is twice mentioned by the prosecution, he was working in his capacity of tech-

* Dr. Hoffmann refers to cross-examinations of prosecution witnesses conducted by the defendant Ambros himself. See volume XV, this series, section XIII L. The particular reference here was to the cross-examination of the prosecution's expert witness, Nathaniel Elias, whose testimony appears in the transcript at pages 1342 to 1462.

nician. But I can state briefly: His activities in directing the operations of the Francolor plants only began after the company had been founded and the French factories were to start production. These activities of Otto Ambros were the subject of a thorough investigation by that country [France] which, as the party mainly affected, was bound to apply especially severe standards.

In view of the fact that after the war, France again fully recognized Otto Ambros as an expert and that, as I shall state in due course, he even was given special mention, there is no need for me at the present time to comment further on this point.

With regard to the matter "Buna Russia," the defense raised an objection * which appeared fully justified during the prosecution's presentation of evidence.

The defense will deal with this matter again only in connection with the question of conspiracy, since the Tribunal has so decided. The whole picture of Otto Ambros' personality will show, however, that the charge of conspiracy is without basis.

This picture, which the defense has drawn above of Otto Ambros, will not be changed even by the fact that Otto Ambros figures within the IG ostensibly as a so-called "Generaldirektor" of the various plants which he founded, developed, or took over.

Otto Ambros was a technical director, but at the same time he always remained a chemist. This fact should be constantly remembered in this Court.

The human aspects in the plants, where he acted in a directing or advising capacity, were always taken into consideration by him, and he gave immediate help when asked for support.

However, in view of the huge amount of urgent tasks of research, development, and technical procedure connected with the plants he had founded, he had to rely on the men in responsible positions, who enjoyed his confidence, to fulfill their duties. To expect more of Otto Ambros would mean to demand more than human nature can perform.

These ideas bring us to count three of the indictment which the prosecution designates rather briefly and summarily as slave labor.

The charge that Otto Ambros participated in a program for the organization and exploitation of slave labor must be rejected with all determination. The procurement of workers did not belong to his sphere of work. Such activities were controlled by the state, and the effects in individual cases depended on various circumstances and on the agencies concerned.

There is no doubt that, in every case, Otto Ambros and all

* This objection and the argument and rulings thereon are reproduced in section VIII E 3, volume VIII, the section containing material on the charges of spoliation in Russia.

his colleagues would have preferred to employ German voluntary workers. However, the decisions regarding the possibilities of procuring them and the methods actually adopted later did not rest with him or with the directors of his plants.

The question of whether it would have been possible for him to prevent the use of foreign workers or concentration-camp inmates must be answered in the negative. Besides, this question is superfluous at present, as it has not even been determined yet that the employment of forced labor and prisoners by the plants constitutes in itself a crime.

Wherever such employment was prohibited by the Hague Convention and the Geneva Convention, namely, in plants which manufactured equipment for warfare against the country of which the employed workers were citizens, it was never authorized or approved by Otto Ambros.

I have already stated above that Otto Ambros never failed to give help if he was approached by any one about a human problem. In this connection, the defense will show the many ways in which Otto Ambros gave assistance.

Otto Ambros will display with just pride the photos of the plants with which he has been presented and which will give an idea of the human aspects within the enterprises which he created and organized, from a technical point of view, in his capacity of chemist.

The defense will fight with all determination against any attempt to connect the appalling incidents in the concentration camps of Auschwitz and Birkenau, of which we know today, with the construction of the IG plant near Auschwitz. In selecting the site of the IG plant east of Auschwitz, only technical considerations were decisive.

With respect to the personality of the defendant Otto Ambros, it is a sign of a tragic misconception of general circumstances on the part of the prosecution that it fails to see his scientific and technical accomplishments in their true perspective, looking upon them only from the point of view of preparation for a war of aggression, of plunder and spoliation, of employment of foreign workers and concentration-camp inmates.

Even today, Otto Ambros views the buna section of the Auschwitz plant as any chemist devoted to his profession views his creation; and at the time the plant was founded the same considerations and problems influenced him which today are inducing the Poles to reconstruct the plant in the same place without a concentration camp available.

My appendix to this opening statement will show the Tribunal the ethical and scientific traditions to which the chemist Otto

Ambros and his fellow technicians remained loyal in their work. It will also give a summarized description of the pioneer work done by the IG chemical enterprise, which was even specially mentioned by General Taylor in his opening statement.

Pioneer work done by the plants of the I.G. Farbenindustrie.

In the present trial of the United States of America against one of the greatest industrial enterprises of the world, the I.G. Farbenindustrie, the prosecution used the expression "perverted chemists."

This charge against a body of leading scientists and technicians can be explained only by the difficulties of understanding the chemist's way of thinking. I will show what I mean by referring to a simple experiment:

Sodium, a metal soft as wax, lighter than water, reacts to water by producing fire and explosions.

Chlorine is a yellowish-green gas which destroys all organic life, and because of this quality was used in World War I as the first chemical warfare agent.

The union of these two agressive elements, however, produces nothing more than our harmless common salt [sodium chloride].

This special structure of chemistry influences the chemist's methods of work and research. Without taking it into consideration, one cannot understand why the chemical industry, by a necessary logical sequence, has also created products, the development of which is being held against it today.

In the second quarter of the preceding century, after clearer knowledge of the structure of animate nature had replaced vague ideas about the connection between life and matter, the spell was broken which, up to then, had seriously hampered the free development of chemical science. New knowledge quickly led to the explanation of a number of natural products which man had made use of for centuries, and which he was now permitted to hope he could produce outside the natural growing cells and independently of the rhythm of birth and death in animate nature.

Among the finest products of the early period of this new development are artificial dyes, with alizarin and indigo leading the way. For almost twenty years the chemists of the Badische Anilin- und Sodafabrik in Ludwigshafen on the Rhine had to struggle, in competition with those of the Hoechst dye works, with the problem of making artificial indigo—which was cheaper and more beautiful than that which nature offered in the cells of a few plants. The problem was solved. Natural indigo sank into oblivion.

In this case, man had only imitated the natural product, accu-

rately copied its inner structure. Still more remarkable were his successes in creating completely new dyes for which nature furnished no example whatsoever.

Thus, in the course of about half a century, thousands of new dyestuffs were sent out into the world by the laboratories and plants of the subsequent I.G. Farben. In beauty and brilliance, in variety and permanence, they so far surpassed the some two dozen dyestuffs hitherto known and used, that today practically no natural dye is used in the civilized world.

The world-famous trademark of the "fast" dyes (Indanthrenfarbstoffe) is the symbol for this development.

A further field of application for increasing human happiness is also offered to the chemist in the field of artificial precious stones and color film, products which benefit the great mass of humanity in particular. The Agfa color film has the task, not only of increasing the effect on moving picture audiences, but, through the accurate reproduction of processes of nature and of masterpieces of art, it is meant to be an ever increasing source of stimulation to science and art.

A second distinguishing trademark of IG products has achieved world reputation—the Bayer cross as a symbol for remedies.

In 1888, Friedrich Bayer & Co., Elberfeld, at that time a plant making dyestuffs, decided to add the production of medicines to the manufacture of dyestuffs. What relation had been established between these two apparently alien fields of activity in this factory?

As in the case of dyes, man, up to then, had secured most of his medicines exclusively from the plant and animal world. Did they represent the best he needed for his purposes? The chemist had won the right to answer this question in the negative. Actually many of these products, such as opium, morphine, and cocaine, were very dangerous poisons for the human body, which, besides their curative and anodyne effects, produced far reaching injuries of another kind.

The intensive occupation with the numerous chemical compounds which had been created chiefly in the service of dyestuff research, the knowledge of their inner structure, in which great progress had been made in the meantime, and the experience acquired in their methodical production, justified chemists' hypothesis that it also should be possible to produce pharmaceuticals chemically, and that they might be much more suitable in their specific effect on the sick body than the natural drugs, most of which consisted of numerous single compounds. The systematic pharmaceutical research originating at the Elberfeld plant at that time undoubtedly contributed substantially to the fact that

during the last fifty years the average lifetime of a human being has been increased by almost twenty years. The products of IG in the field of vaccines, hormone preparations, and vitamins, have also contributed to this fact.

Aspirin and Pyramidone, Gardan and Compral, Evipan, Luminal and Veronal, Novalgine and Novocain have brought healing and the alleviation of pain to millions of human beings throughout the earth.

Chemical therapy stands in close connection with this development. As one of the branches of medicine, its task lies in fighting, by chemical means, bacteria and other micro-organisms in the human body and thus heal the diseases caused by them. The difficulties of the problem to be solved here become apparent if one realizes that here it is a question of killing organisms which are subject to the same laws of life as the cells of the human body. It was, therefore, a question of destroying bacteria without injuring the body cells. The problem appeared insoluble.

Systematic observations and their logical evaluation, however, led to the goal. The sensation and the enthusiasm aroused by the introduction of Salvarsan into the practice of medicine can only be understood by one who knows how lengthy and imperfect were the previously available methods of treating syphilis.

Chemical therapy was also very successful in the war against tropical diseases. Malaria, which is spread over almost the entire world and of which, according to statistics, 700 million people fall sick and 2 million people die every year, could not be stamped out, although quinine—the only remedy which was to any degree effective against malaria—had been used for 300 years. Moreover, the secondary effects of quinine cause serious harm to the human body, and 50 percent to 70 percent of malaria patients treated with quinine suffer relapses.

In contrast to this, let me give a statistical example of the effectiveness of the IG preparations atabrine and plasmochin. On the plantations in the Malay States, 3,500 out of 23,000 people were sick with malaria in 1930. Sixty of them died. Through systematic application of the above-named IG remedies, the number of sick up to 1934 declined to 870, that is by 75 percent, and the number of deaths to 13, that is by 75 percent.

Another devastating tropical disease is sleeping sickness. For example, of the population numbering 40,000 of one tribe in Uganda (Africa), 20,000 people were carried off by sleeping sickness within two years. The British were forced to evacuate the remaining 20,000 natives as quickly as possible, or the entire tribe would have succumbed to certain extinction.

After years of labor in the laboratories of the IG a remedy was

found in germanin (Bayer 205), which destroys the carriers of sleeping sickness in the blood. The importance attached to this discovery, especially abroad, is shown by the statement of the English biologist Huxley, of Oxford University, who wrote: "The discovery of the German 'Germanin' is probably much more valuable to the Allies than all the preparations which were originally demanded by them."

Against kalaazar (black sickness), a disease chiefly prevalent in India and China, IG brought out neostibosan, which causes the disease to disappear in the course of one week's treatment, without the secondary effects which developed from all previously used preparations. No less devastating—especially for Egypt—is a disease called "bilharzia," by which 10 million out of 14 million inhabitants were attacked. In appreciation of the great importance of a remedy discovered by the IG for this disease, the then King Fuad of Egypt gave permission for it to be named "fuadin."

Similarly, until discovery of Prontosil and Uliron by chemists of the IG, no effective remedy had been found for streptococcus infections which include, among others, the dreaded puerperal fever. It is, therefore, understandable that the medical profession of the entire world received this new remedy with great enthusiasm. In a few years, hundreds of scientific treatises appeared on the application and effectiveness of this new preparation. So vehement was the demand for it in all countries of the world, that after a short time the first manufacturing plants in Elberfeld and Leverkusen, which had been amply equipped for producing the new pharmaceutical, proved completely inadequate.

The labors of IG in the field of combating insect pests by chemical means point in the same direction of research. The extraordinary importance of this work is expressed in the saying: "man harvests only what the insects leave for him." Insect pests threaten not only our food, but also our household furniture, our clothing, and our health.

A new chapter begins with the development of technical catalysis, which has probably exercised, and continues to exercise, a very lasting effect on the shaping of our existence.

At its beginning stands the technical fixation of atmospheric nitrogen according to the Haber-Bosch process.

As early as 1898, Sir William Crookes delivered a speech before chemical, agricultural, and military experts at the British Association in Bristol, in which, among other things, he said: "The wheat crops of the world depend on Chile's nitrate beds; a world famine is inevitable if we do not succeed in extracting nitrogen from the air in the form of fertilizer." And further: "The ques-

tion of nitrogen fixation is a question of life and death for the coming generation."

The importance of the problem for all humanity is indicated in that statement. To be sure, nitrogen is available in unlimited quantities, since it makes up about 80 percent of the air in the atmosphere, but plants cannot use it in this form. It must first be chemically united with other elements and thus transformed into substances which, as had been known for a long time, are indispensable nutritive salts for plants. For example, the salt of ammonia combined with nitric acid (both of which are nitrogen compounds), and urea, are salts or chemical compounds of this kind. But now, nitric acid is at the same time the basic substance for the production of almost all highly effective explosives, and thus it comes about that the life-saving industry of nitrogenous fertilizers stands in close contact with the life-destroying industry of explosives. There is no more convincing proof of this deplorable fact than the frightful catastrophe which was visited upon the Oppau plant of the Badische Anilin- und Sodafabrik in the early period of the synthesis of ammonia, when a fertilizer silo exploded and 561 men lost their lives in the destruction of almost the entire plant.

When shortly before the First World War, by exerting all its energies, the Badische Anilin- und Sodafabrik solved the extraordinarily difficult problem of the technical fixation of nitrogen compounds from the air, it had in mind only the peaceful application of the invention. That this offered sufficient attraction becomes clear if one knows that in 1931 alone Germany had to import 775,000 tons of Chilean nitrate, valued at 171 million marks.

The inventor of the technical process, Carl Bosch, was honored with the Nobel Prize in 1932. This fact is especially remarkable inasmuch as the Nobel Prize Committee here, for the first time, conferred upon a technician this high distinction which hitherto had been given to men of science only.

The technical development of the ammonia synthesis according to Haber-Bosch at the same time opened a door to new, unsuspected possibilities. For the first time, problems of chemical technics had been solved with this synthesis, which previously had been considered impossible. Through their solution, men learned how to achieve chemical reactions on a very large scale under a pressure of several hundred atmospheres and in close to red hot temperatures. Men had further learned to develop metal alloy apparatus and armatures which could stand up to these extreme requirements for a long time; and finally, men had gathered valuable experience in the field of catalysis and measuring

technique, which previously had been introduced only rarely into chemical-technical practice.

The interrelation of all these individual factors was expressed in the following period by the rapid development of a number of new major chemical products headed by methanol, synthetic gasoline, and synthetic rubber.

The importance of methanol as such is not very obvious. By virtue of its chemical byproducts, however, it plays an extraordinarily important role in daily life. A large part of important consumer goods, including plastics, synthetic resins, solvents, tanning agents, etc., can be traced back to methanol as one of the indispensable components.

To be sure, there were other ways for IG to make this important base before the development of the technical process for the synthesis of methanol, but they were very limited and therefore production was very low and methanol expensive. Only the IG method for the synthesis of methanol produced sufficient quantities at the necessary low price. Just like the ammonia synthesis, the methanol synthesis was first developed at the Ludwigshafen plant of IG. Today it is used in a great many industrial countries according to IG patents.

Ammonia and methanol synthesis belong to the group of hydrogenation processes by which the chemist understands processes by which hydrogen is chemically combined with other substances. The layman has become most familiar with this branch of chemical processes through the hydrogenation of coal, which is usually given the obvious name of coal liquefaction.

Geologists and experts of the oil production and processing industry know that the oil supplies of the entire world are nearing depletion at a frightening rate. Therefore, it is one of the tasks of research and technology to search in good time for solutions to this threatening situation.

Furthermore, in an evaluation of the gasoline synthesis, the question which every chemical synthesis brings up—i.e., whether the synthetic product is better than the natural product—can be answered in the affirmative. Certain synthetic fuels are superior to the chance product which nature has made from animal and vegetable deposits through certain transforming processes in the course of the history of the earth; for instance, as regards the very high degree of efficiency which modern high-powered motors, such as airplane motors, require.

The achievements of IG in this field consisted in overcoming the unusual difficulties inherent in translating a laboratory experiment into industrial production, and in introducing catalysis into the process. This tremendous problem could only be solved

through the consciousness of obligations arising from the pioneer tradition of the IG plants, and with the experience and know-how of its chemists and scientists.

The Nobel Prize Committee saw the correlations correctly when, in 1932, it awarded the Nobel Prize not only to Bosch, but to Bergius too, who, in his first ground-breaking work, had indicated the scientific way from coal to gasoline.

The efforts to produce synthetic rubber were based on the same thoughts and problems, except that the technical problem was different. The difficulties here lay in the internal structure of the highly complicated rubber molecule.

Research chemists and physicists assume that the large rubber molecule is built up of hundreds of thousands of isoprene molecules. They form themselves into large chains, which, in turn, are combined in a bundle. The chains lie next to one another like pencils which are fastened together in a bundle, but which can be shifted. This mobility, albeit limited, furnishes an illuminating picture of the elasticity of rubber. This becomes even more clear when elaborating the example by imagining that these long chains are connected with each other by a few loose hooks.

Therefore, if one wants to produce rubber artificially, one must first make the links of the chain that will be suitable for the construction. Chemistry found many ways of accomplishing this. Finally these primary materials must be combined systematically in order to produce the substance that is closest to natural rubber, or even superior to it.

The chemist, being in competition with nature, has developed a type of working method probably similar to that which occurs in the cells of a plant. It must be understood that in the selection of the chain links and in influencing the joining of these chain links, there lies the possibility of producing special qualities, which in turn, is bound to lead to the largest variety.

Technically speaking, the synthesis of rubber demanded the development and combination of extremely difficult and complicated processes. IG took a decisive step along the way to synthetic rubber when, in 1928, it invented the process of copolymerization (Mischpolymerisation), which, for the first time produced a stable milk emulsion similar to the latex of natural rubber.

In order to fully appreciate the importance of the synthesis of rubber it must be remembered that the natural product must also first undergo a chemical process, namely the addition of sulphur and other substances at high temperatures, before it acquires the qualities which make it suitable for high grade tires. Whether or not the synthetic product can replace the natural one, as natural indigo was replaced by artificial dye, will depend on

whether it can be developed into a cheaper, and in every way superior, material. That is very probable. For special uses, IG's oilproof perbunan already has overshadowed the natural product, which is not resistant to oils and fuels.

Furthermore, from a long-range point of view, the production of synthetic rubber offers the opportunity to make enormous rubber plantations available for food production, and to stop the exploitation of laborers whose work consists of painstaking tapping of trees at the lowest wages.

Now that countries like America and Russia have begun the industrial production of synthetic rubber on a huge scale, there can hardly be a doubt that the path which has once been successfully followed will not be deserted again.

American circles have called this age the "age of plastics," obviously making reference to the designations of stone age, bronze age and iron age. Although this description possibly goes too far in its generalization, nevertheless it cannot be denied that during the past decade the development of plastics has progressed to such an extent that it influences the way men live to a greater and greater degree.

As man's knowledge of the internal structure of matter increased and his means and methods were perfected and became more diversified, his technical ability to make new materials (chemically) also increased.

New developments point more and more plainly towards total synthesis based on primary chemical elements and simple chemical combinations, which, through the process of polymerization or condensed polymerization, are given the high molecular structure characteristic of all plastics.

It becomes evident here that, due to almost limitless possibilities in the choice of primary materials and of methods, it is possible to give the final product any desired quality that will best suit it to human needs.

All industrial countries of the world, and especially the United States in the past two decades, have been participating in the development of this wide field. Here the chemistry of the super polyamide should be remembered, whose most impressive representative, the nylon thread, will have far-reaching effects, especially on the textile industry, because of its superb qualities.

The plastics produced by the I.G. Farbenindustrie are mainly made from acetylene bases. Products like polyvinyl-chloride, polyvinyl-acetate, polyacryl-ester, polyvinyl-ether, and polystyrol, in the most diversified modifications, have been introduced in numerous fields of applications and are now established in industry and in the home. The development of the chemical processes

of acetylene and ethylene has broadened the field of aliphatic chemistry tremendously in the last two decades. Today it benefits by the method and machinery of the catalysis and high-pressure process which was created by the school of Carl Bosch and is the greatest legacy to its pupils for the development of new fields in chemistry.

These exemplary merits have also been recognized by science in honoring one of IG's leading chemists for these special achievements by conferring on him the title of *Doctor Honoris Causa* at the recommendation of a world-famous scientist. The document conferring the degree expresses it as follows:

> "The faculty thereby honors his outstanding achievements in the development of technical methods, in the field of macromolecular chemistry, for the introduction of new polymerization processes, the development of synthetic materials, and of buna."

In summing up, let us recall only one fact, because it is of a documentary nature: In 1937, there was a great international exhibition in Paris on the subject of "Art and Technical Science in Modern Life." An international jury judged the achievements of the countries and of their exhibitors. I.G. Farben alone received nine of the highest awards (*Grands Prix*):

(1) for its Indanthrene dyestuffs,

(2) for its Prontosil, the most effective agent against coccus infections,

(3) for its high-pressure process for making gasoline from coal,

(4) for its buna,

(5) for its Vistra fibre,

(6) for its cellophane,

(7) for its light metal "Hydronalium,"

(8) for its "Eulan," the most effective mothproofing agent for textiles,

(9) for its color film "Agfa-Color-Neu" and its Agfa miniature cameras.

Your Honors, since we are concerned here with the trial against one of the largest industrial enterprises, and since I am representing Ambros, who is a technician, a chemist, I deemed it necessary to bring to your attention the technical side of the question. I hope that, as far as I, as a lawyer, can judge, I have succeeded in doing that without making many chemical mistakes.

L. Opening Statement for Defendant Buetefisch*

DR. HANS FLAECHSNER (counsel for defendant Buetefisch): Your Honors: The prosecution has sketched, or rather, has tried to sketch, a picture of the accused Vorstand members of I.G. Farbenindustrie; a picture which is abounding in mistakes in perspective, misconstructions, misrepresentations, and distortions. From its viewpoint, the prosecution arrives at judgments which are in no way justified by actual facts. The accused were men "who stopped at nothing." These were the words of the chief prosecutor when referring to them in his opening statement. He accuses them of "unmitigated presumption and unbounded scorn for the laws of God and man," and further maintains that "they judged themselves alone as fit to sway the destiny of the world. All their judgments sprang from a bottomless vanity and an insatiable ambition." And finally, he says: "They made power their only and highest God." Such accusations and recriminations are heard throughout the whole of the prosecution's speech. What is there in it, on the other hand, that is true? I cannot concern myself here with the accused as a group, but shall confine myself to the accusations levelled at the accused Dr. Buetefisch, whom I represent, with reference to his activities within IG.

He has been a member of IG for 25 years. First in the laboratory, and then, as works assistant in the Leuna plant, he advanced until he finally took over, together with his colleague Schneider, the entire management of the Leuna plant, a post which he filled until 1945. It is the career of a gifted, capable chemist and technician, whose life was taken up with the development and extension of chemical synthesis in the sphere of coal, which, in the course of the prosecution's speech, became known to the Court as the sphere of production of Sparte I. The scope of the duties undertaken by Dr. Buetefisch and his gradual rise in this great field of research, development, and technical expansion cannot be deduced from the record of his promotions to new positions within IG. It rather developed organically and grew, with the ability to recognize technical possibilities in any sphere, to direct their development, to appraise them properly, and to organize their utilization. In a large and leading chemical firm such as I.G. Farbenindustrie, people with such ability could become specialists in their particular fields and be recognized as experts, not only inside Germany, but as first class specialists beyond the boundaries of the Reich. It can indeed be said that Dr. Buetefisch was considered as such a technical expert in the field of nitrogen,

* Tr. pages 4814–4821, 18 December 1947.

and later of mineral oil and its auxiliary branches. He was instrumental in the development of synthetic nitrogen, and synthetic mineral oil and hydrocarbons, and was responsible for the technical and orderly functioning of the plants of which he was in charge. It is obvious that a man who is outstanding for his achievements in his special field frequently will be called upon by his firm as well as by others, and that his cooperation will be sought from all sides. So it came about that Buetefisch's duties grew, but not, as the prosecution maintains, out of personal ambition, but simply as a result of his technical ability, his diligence, and his organizing capacities.

When the development of Germany's internal economy made greater demands on the utilization of German raw materials—a development to which the economic leaders had been forced for want of surplus foreign currency—Buetefisch was entrusted with a number of duties connected with Sparte I. His activity, however, was always confined to technical duties, or those connected with technical organization within his own field. Thus, from 1934 onward, he was head of the Technical Commission in the Nitrogen Syndicate, and, as early as 1931, was elected chairman of the Technical Experts Committee by all nations taking part at the International Nitrogen Conference. He was made a member of the Aufsichtsrat of various companies. Like many other German scientists, technicians, and industrialists, he held an honorary position in the Reich Office for Economic Development and, being a specialist in the mineral oil branch during the war, he was appointed deputy leader of the Economic Group Liquid Fuels. It would be absurd to try to conclude from these private economic and other activities of his, in official and semiofficial offices, that he had knowledge of the latest intentions of the government, especially as the government revealed its intentions only to the top leaders of the Wehrmacht, and to the Minister for Foreign Affairs. We cannot here discuss the activities of the various German Economic Groups, nor can we enter into particulars concerning the general activities of the many technicians who held honorary positions in the Reich Office for Economic Development. At this point, it will be sufficient to indicate that the purely technical economic duties which my client had to carry out within the sphere of his work had not the slightest bearing on political questions, let alone political decisions. In this connection, the prosecution authorities are trying to construe a connection between this activity of my client and the offences which Control Law No. 10 designates as criminal. In the course of the evidence, I shall have to explain this activity of my client in more detail.

The prosecution has endeavored to connect the responsibility for political events, for governmental measures, and, in particular, for waging of wars of aggression, with the achievements and work of the accused, including my client. This work covered the field of chemical engineering, research, and new developments, such as is everywhere customary in the economy of any state. Quite apart from the fact that on all these counts the prosecution lacks any conclusive evidence for the connections it assumes, some individual accusations will be briefly considered in the following.

From a visit to Hitler made by my client in 1932, at the request of his firm, and merely for the purpose of seeking information on questions concerning mineral oil, the prosecution deduces an alliance between IG and Hitler. Apart from the fact that at that time Dr. Buetefisch was in no way authorized to represent IG in every respect, since he had not yet become a member of the Vorstand, the prosecution has no evidence at all from which to deduce the existence of this alliance. This alliance is now further connected with the conclusion of a gasoline agreement in December 1933. It should be mentioned at this point that evidence will be produced to show that there is no connection at all between this visit and the gasoline agreement. The very nature of the gasoline agreement included in the documents shows that this agreement was concluded with the Reich on a purely economic and commercial basis, and that there can be no question of any influence exerted by the Party on the government offices drawing up the agreement. We will substantiate this fact with further evidence.

In connection with this count, an opinion will be expressed on the claim that IG synchronized its production with the German war machine, with particular reference to products coming under the technical direction of my client. I shall also submit evidence on this count showing that the connection claimed by the prosecution is a meaningless construction, and clearly proving that in all the foregoing cases it is a question of normal economic developments. In particular, I shall examine the accusation made to the effect that Dr. Buetefisch, knowing about the fact that the Third Reich was planning wars of aggression, arranged an exchange of experimental data with American firms in the field of hydrogenation in such a way that the war potential of these countries was thereby weakened. I will go into the question of the exchange of experimental data in general, and the work it involved for my client, and shall prove that the claims of the prosecution are rendered untenable by the actual results of the exchange of experimental data which took place.

In count two of the indictment, the members of the Aufsichtsrat

of Kontinentale Oel A.G., one of whom was my client in his capacity of representative of I.G. Farbenindustrie, are made responsible for the execution of measures which the management of Kontinentale Oel A.G. had to carry out in connection with the Eastern campaign upon orders of high government offices.

At the time of the submission of this evidence by the prosecution, I raised an objection and the matter was thoroughly discussed in the meeting of 20 November 1947. I shall return to this point at the appropriate time. I shall discuss what business activity the firm in question developed, and the question at issue then will be whether the Vorstand of the IG or Dr. Buetefisch had any opportunity to exert any influence on the business management of Kontinentale Oel A.G. The legal interpretation which was expressed on the occasion of the submission of evidence by the prosecution will also play a part in this.

I shall examine further cases brought forward for my client under count two of the indictment only insofar as they are brought forward within the framework of the joint responsibility of the Vorstand of IG asserted by the prosecution, and only when it is necessary for the refutation of the criminal joint liability asserted by the prosecution.

Under count three, the prosecution brings serious charges against the IG officials, and thus against my client also, on the grounds of their employment and treatment of foreign and compulsory laborers. Intentions, or even actions, such as described by the prosecution in its evidence as crimes against humanity, have not been the practice of IG, according to the history of its development, or the conduct of its affairs. Their achievements and general attitude with regard to social welfare were recognized far beyond the German borders. To justify its charges against the officials of the IG who, in fact, embody the general attitude of the enterprise, the prosecution has submitted a mass of evidence which was supposed to reveal the illegal engagement of workers and their treatment in the individual IG factories, particularly in Auschwitz. A critical examination of this evidence must be reserved until a later time. It can, however, be said, even now, that the prosecution has committed a fatal error in using purely local occurrences—which have nothing to do with IG or the IG factories—as a screen, and in generalizing and describing as typical, isolated cases which the witnesses have mostly submitted, not from personal observation but from hearsay, and the defense questions their admissibility. It has also never been elucidated how far IG employees actually took part in incidents described in the prosecution's evidence. On this subject, the defense will submit evidence from various quarters

which will set to rights the evidence submitted by the prosecution on the most essential points.

In order to be able to include my client in the charges, an attempt is being made to make him responsible in general for questions of labor allocation.

Quite independently of the examination of the factual prosecution evidence, it will be the task of the defense to investigate to what extent responsibility for the events submitted by the prosecution can be deduced from Dr. Buetefisch's sphere of work. On this matter, due consideration will have to be given to the far-reaching division of labor within the Vorstand and the allocation of tasks to the administrators of the individual factories within IG, which were the main factors in making the work of the whole enterprise possible. In my presentation of evidence, I shall bring proof that my client, within the limits of the functions and tasks entrusted to him, did everything in his power, through the selection and surveillance of the supervisors or Betriebsfuehrer assigned by him, or through the administration of the Sparten, to make sure that the orderly administration of the plants was achieved. The various Betriebsfuehrer will, moreover, give evidence that the plant management was indeed carried out in a proper and fair manner; any divergence from the faultless conduct of the IG would otherwise have been brought to the attention of my client or of the Sparte administration.

In my client's well-defined sphere of work for the technical and organizational interest of Sparte I within IG, he had no decisions to make on special questions concerning the engagement of workers and their welfare. Besides his work as technical director of Leuna and chairman of various technical committees in syndicates and economic groups, he was chief supervisor of technical planning for the Sparte I building projects, such as Moosbierbaum and Auschwitz. I consider it expedient, however, to point out that my client was never chief of an I.G. Farben plant or of any other enterprise, so that he did not even belong to the Employers Advisory Council [Unternehmensbeirat] of the IG and consequently did not take part in the conferences of the Betriebsfuehrer.

It is therefore also misleading if the prosecution tries to make the members of the Aufsichtsrat, and my client as chairman of the Aufsichtsrat of Fuerstengrube G.m.b.H., responsible for the allocation of workers in the mines or the treatment of prisoners in the plants of this company. I have already pointed out that on legal grounds this standpoint of the prosecution is untenable. I shall confirm this opinion through submission of further evidence, and prove my client could not and did not exert an influ-

ence on the plant management and business management of these independent enterprises, so that my client's responsibility in this connection cannot be considered.

Under count four of the indictment, my client was charged with having been a member of the SS after 1 September 1939, and a member of the Himmler Circle of Friends. I shall prove that my client was never an active member of the SS, had no command, belonged to no society, performed no service in the SS, but that he was merely a so-called honorary leader [Ehrenfuehrer] and that these are not to be considered as active members of the SS. I wish to point out here that the IMT judgment did not condemn persons charged before it because they belonged to the SS, insofar as they were purely honorary leaders. More evidence will be brought on this point too. On this assumption, however, Dr. Buetefisch cannot be condemned on the charge of belonging to an organization which has been declared criminal. In this connection, the evidence on the Circle of Friends presented by the prosecution in support of its assertion must be gone into and, by the presentation of further evidence, the nature of this so-called Circle of Friends will have to be subjected to a closer examination.

Concerning count five of the indictment, the examination of the prosecution's assertion will reveal, through the submission of further evidence, that there can be no question of Dr. Buetefisch's having taken part in a common plan to commit war crimes. In the interrogations which preceded the prosecution's investigations, details were required from my client which he had to produce purely from memory, without any records whatsoever. This gave rise, in some instances, to erroneous statements which were disclosed when Dr. Buetefisch had the opportunity to look up documents. Insofar as such erroneous statements were found to have been made, these will be corrected in the course of the personal interrogation of my client.

M. Opening Statement for Defendant Haefliger[1]

DR. VON METZLER (counsel for defendant Haefliger) :[2] May it please the Tribunal: In addressing Your Honors on behalf of

[1] Tr. pages 4821–4831, 19 December 1947.

[2] Counsel read the opening statement in English. Dr. von Metzler was entrusted by the entire defense to make one of two closing statements on behalf of all the defendants. This closing statement is reproduced below in section XI E, volume VIII, this series. The final statement of the defendant Haefliger to the Tribunal appears in section XII 7, volume VIII, this series.

my client, Paul Haefliger, I do not propose to deal with the allegations of the prosecution incriminating the activities of IG and its policy as such. Those general subjects will be covered by some of my colleagues in order to avoid repetitions.

Therefore, Your Honors, what remains to be said in the case of Paul Haefliger is to raise the question of his personal responsibility for the policy of IG pursued before and after the outbreak of the war, which the prosecution is blaming as having been criminal from the beginning to the end, whereas the defense maintain that this was definitely not the case, and that the prosecution, in presenting their evidence, have grossly overshot the mark.

In reviewing the incredibly vast amount of evidence which the prosecution has introduced in this case, there is, among various other things, one point which strikes the defense particularly. It is the incredibly small amount of evidence—if any—which the prosecution has put in on the question of the personal responsibility of each defendant for what has happened. Apparently the prosecution maintains that IG was a criminal organization set up for the purpose of subduing or destroying whatever became entangled "in its deadly network." The Vorstand members of this dangerous organization apparently, in the view of the prosecution, are responsible for whatever happened in this vast and complex Konzern, which, in the indictment, has been referred to as "a State within the State." The prosecution, as far as I can see, does not attach any special weight to the questions whether, and to which extent, the various defendants were personally connected with the numerous activities of IG which are dealt with in the indictment. In order to avoid the necessity of going carefully into this complicated question, the prosecution has, in the first place, introduced the charge of conspiracy as to practically all counts of the indictment. In the second place, to bear out its allegation that all Vorstand members are jointly responsible for the activities of their company, it is referring to the German commercial law and the bylaws of IG, which—by the way—have been wrongly interpreted by the prosecution.

I do not wish to be hard on the prosecution, but I regret to say that this approach to the problem of the personal responsibility of the defendants is—among others—one more striking example of the deplorable fact that the prosecution apparently has not considered carefully enough the grounds of the IMT judgment.

As to the conspiracy, the prosecution, as far as I can see, has not introduced any special evidence bearing out the fact that all defendants agreed to do, or caused to be done, the criminal acts alleged in the indictment. I may refer in this respect to the

grounds of the IMT judgment which, on page 16882 of the transcript, states the following with regard to the prerequisites of a conspiracy to commit crimes against peace:

> "The Tribunal must examine whether a concrete plan to wage war existed, and determine the participants in that concrete plan." [1]

Further quotation, page 16883 of the transcript, reads as follows:

> "But the evidence established with certainty the existence of many separate plans rather than a single conspiracy embracing them all." [2]

In my humble opinion, the prosecution has not established any participation on the part of the defendants in any separate plan to wage war, not to speak of a conspiracy of the defendants with such aim.

Moreover, according to the IMT judgment, the conspiracy cannot be charged as a separate crime with regard to the crimes against humanity and war crimes.[3] Reference is made in this respect to the arguments advanced by the defense during the morning session of October 29th, transcript page 2963. Therefore the defense feel that the conspiracy as such cannot be considered as a legally sound approach to the problem of the personal responsibility of the defendants.

As to the second point which the prosecution has made in order to establish the personal responsibility of the defendants, namely, their alleged joint responsibility for the affairs of IG under its bylaws and the German commercial law, I am afraid that in doing so, the prosecution is mixing up two kinds of responsibilities; one which is viewed from the angle of civil law, and the other which has to be considered from the point of view of criminal law. In this respect the defense feels that the following remarks in the grounds of the IMT judgment are of utmost importance. The IMT, when dealing with the accused organizations (transcript page 16929) and the questions of judicial discretion connected therewith, states the following:

> "This discretion is a judicial one and does not permit arbitrary action, but should be exercised in accordance with well-settled legal principles, one of the most important of which is that criminal *guilt is personal,* and that mass punishments should be avoided."[4]

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[1] *Trial of the Major War Criminals*, volume I, page 225.
[2] Id.
[3] Ibid., page 226.
[4] Ibid., page 256.

Now, in my humble opinion, there can be no question that IG is not to be considered as a criminal organization in the meaning of the Charter of IMT. If, therefore, the IMT, when dealing with the responsibility of members of criminal organizations, require that their guilt must be personal, this all the more—or to adopt a legal term *a fortiori*—must apply to members of the Vorstand of a private enterprise, who are not members of a criminal organization.

If the prosecution had gone more carefully into the grounds of the IMT judgment, it would have found again and again how the IMT—apart from the aforementioned example of the criminal organizations—in assessing the criminal responsibility of the various defendants, let itself be governed by this important principle that "criminal guilt is personal."

I may respectfully draw Your Honors' attention to the fact that for instance the Reich Cabinet, being in a broader sense a "Vorstand" of the enterprise "German Reich," with practically unlimited powers (both political and economic) and knowledge of facts which were not accessible to others, in spite of these circumstances has not been declared a criminal organization and therefore the members of this Cabinet have not been indiscriminately found guilty on the charges raised in the IMT indictment. The IMT has very carefully considered the state of mind of each defendant and has aquitted several defendants of various charges, notwithstanding the fact that these defendants belonged to the small group of men being the incarnation of the political will of the German people.

From all this, Your Honors, it appears that in a criminal trial of this nature, contrary to a civil law suit, the responsibility of a Vorstand member must be derived exclusively from the facts and circumstances of his personal case, to wit, from his actual position within the framework of his company and his actual connection with the alleged crimes. In other words, it is his actual position alone that counts when assessing the criminal responsibility of a Vorstand member and not the provisions of the bylaws of the company, respectively of the commercial law, dealing only with his responsibility from the point of view of civil law, and it is on the basis of these actual facts that I propose with Your Honors' permission to present the case of Paul Haefliger and to introduce the evidence dealing with his personal responsibility. I would stress, however, most emphatically, that my client does not propose to shun any responsibility for activities which fall within the special field of which he was in charge. Moreover—let there be no misunderstanding whatsoever—that in defining his limited scope of responsibility, my client is absolutely con-

vinced that none of his colleagues was governed by any considerations other than normal and fair in any dealings concerning the business of IG, and that therefore none of his colleagues can be incriminated with regard to such activities.

In the first place, the defense would like to respectively submit that "personal guilt," in the meaning of the IMT judgment, is criminal intent and not negligence, the latter not being declared punishable either in the Charter or in Control Council Law No. 10. Therefore, it is beside the issue of this case to consider the question whether my client, as a Vorstand member, had the duty to investigate certain activities of the IG of which he did not have personal knowledge and to prevent or otherwise oppose same, and whether by not doing so he has neglected his duty. The only thing that matters in my humble opinion is, therefore, his actual personal knowledge of the existence of such alleged criminal activities and, apart from this knowledge, his taking thereupon a consenting part in these activities. I may respectfully draw Your Honors' attention to the following passage in the grounds of the judgment of Tribunal II in Case IV, "Pohl, *et al.*," (*tr. p. 8111*), bearing out the fact that knowledge alone is not sufficient to convict a defendant on charges of this nature and that apart from this there must be established some sort of a positive activity on his part. I quote:

> "The only consent claimed arises from imputed knowledge—nothing more. But the phrase 'being connected with' a crime means something more than having knowledge of it. It means something more than being in the same building, or even being in the same organization, with the principals or accessories. The International Military Tribunal recognized this fact when they placed definite limitations on criminality arising from membership in certain organizations. There is an element of positive conduct implicit in the word 'consent.' Certainly, as used in the ordinance it means something more than 'not dissenting.'" *

The first task of my defense, Your Honors, therefore, will be to prove the actual position of Paul Haefliger within the gigantic framework of IG, and it is here where the facts come in.

In their just-mentioned judgment re Pohl, Military Tribunal II has made the following interesting remarks on the question of the actual position of the defendants within an organization (*tr. p. 8079*):

> "At the outset of the testimony, the Tribunal realized the

* *United States vs. Oswald Pohl, et al.*, volume V, page 1002, this series.

necessity of guarding against assuming criminality, or even culpable responsibility, solely from the official titles which the several defendants held. * * * The Tribunal has been especially careful to discover and analyze the actual power and authority of the several defendants, and the manner and extent to which they were exercised, without permitting itself to be unduly impressed by the official designations on letterheads or office doors." *

On the basis of these observations, which once more bear out the contention of the defense that in a criminal trial the actual circumstances under which the defendant lived and acted and not his position as viewed with the eyes of a civil lawyer are relevant, we respectfully submit to Your Honors that IG was such a huge and complex Konzern, that it embraced such a large number of the numerous fields of modern chemistry, including activities beyond the scope of chemistry, such as coal mining, film industry, and other fabricating industries, that it was absolutely unthinkable, in view of this gigantic scope of business, to assume any fair and expert knowledge of facts by a Vorstand member which were outside the special field allocated to him within this vast organization.

We submit that, in fact, the principle of decentralized centralization was put into effect to a large extent within the IG; in other words, that in reality the different Sparten and Verkaufsgemeinschaften were practically independent firms, and that, therefore, the Vorstand members being in charge of those Sparten and Verkaufsgemeinschaften actually conducted their current business in a manner not dependent on the knowledge and consent of the other Vorstand members, who in their turn had their own special tasks.

We respectfully submit that within this huge agglomeration of big chemical firms significantly called "IG" (which derives from the German word "Interessengemeinschaft" meaning, in English, "community of interests") Paul Haefliger had a limited, purely commercial task being a member of the staff of "Verkaufsgemeinschaft Chemikalien," of which he was neither the appointed responsible leader nor the deputy leader. This task, Your Honors, before the outbreak of the war mainly consisted of negotiating and supervising international conventions for various individual products in the heavy chemicals field, which involved numerous and prolonged visits abroad. These activities coming to an abrupt end at the outbreak of the war, Paul Haefliger gradually gave up his connection with the heavy chemicals field,

* Ibid. page 980.

took a second domicile in Berlin and practically limited himself from there on to the supervision of the department "M," which erroneously has been interpreted by the prosecution as meaning "metals," and to odd jobs in the metal field.

Turning now to count one of the indictment, I may refer to the motion of the defense filed with this Tribunal during the morning session of December 17th, in which the defense submitted that the prosecution have failed to make out a *prima facie* case because, according to the grounds of the IMT judgment, the responsibility for crimes against peace is limited to a small group of leading personalities who had a special knowledge of certain secret plans of Hitler.

Apart from this, the defense will introduce evidence that Paul Haefliger had no knowledge whatsoever of any aggressive war being aimed at by the German Government and that, in view of his actual position, he never was asked about nor was concerned with any question relating to technical problems of planning and erecting Mob-plants.

Moreover, it is submitted that Paul Haefliger is a Swiss citizen and, for the time from 1934 up to 1938, was the Swiss Consul in Frankfurt. Therefore his collaborators, insofar as they were under pledge of secrecy by regulations, had to withhold from him information about such matters.

As to the stock-piling of nickel, it will be shown that this, in view of the prevailing conditions, was a natural precaution which by no means meant a preparation for an aggressive war.

Apart from this, evidence will be introduced on Paul Haefliger's attitude towards the various foreign business partners, showing that he always conducted negotiations on a purely businesslike and friendly basis, never pursuing any aims of weakening the potential and development of non-German industries, not to speak of making use of such opportunities for Nazi propaganda. In addition, the defense will introduce extracts from speeches which Paul Haefliger held in his capacity as Swiss Consul before the Swiss colony in Frankfurt, showing his democratic spirit and his love for peace. For completeness' sake, I submit that Paul Haefliger never was a member of the Nazi Party nor of any of its affiliations, nor did he hold any position in the government or the semi-official economic group "Chemical Industry" (Reichsgruppe Chemie).

Turning now to count two of the indictment, the cases of alleged spoliation in Austria and Sudetenland-Czechoslovakia have been already dealt with from a legal point of view in the motion filed by the defense with this Tribunal during the morning session of December 17th.

Moreover, evidence will be introduced showing that these cases by no means can be termed as acts of spoliation. The part which Paul Haefliger played in these transactions will be put into the proper light.

The above-said applies to any other acts of alleged spoliation with which the prosecution try to connect my client.

Turning now to count three of the indictment, the defense submits that, bearing in mind his position as a commercial man, Paul Haefliger never had to do anything with the employment of workers or any other question connected therewith, and that he had no connection whatsoever with any activities covered by this count of the indictment. Although the prosecution have not introduced any evidence on these points, the defense of Haefliger will offer proof bearing out this contention.

As Paul Haefliger is not concerned by count four of the indictment, and the charge of conspiracy under count five has been dealt with already, this, Your Honors, brings me to the conclusion of my opening statement.

Your Honors, a gigantic canvas of evidence on the activities of one of the biggest concerns in human history has been unfolded before you by the prosecution in these past months. And in all of us there was revived the recollection of the most cruel war within the memory of men, which forms the lurid and tragic background of this trial.

This Honorable Court represents the proud tradition of a great country, which always stood for human liberty and dignity, and it is in the light of this tradition—we humbly submit—that, if we are to pay tribute to the victims of this most terrible of all wars, we cannot do better than to let ourselves be guided, not by emotions, political generalizations, or hearsay, but by facts only, which enable us to judge, beyond any reasonable doubt, the responsibility of each defendant for what has happened.

And it is in this dispassionate spirit, Your Honors, that I shall try to discharge my duty as counsel of the defendant Paul Haefliger before this court.

N. Opening Statement for Defendant Jaehne*

DR. PRIBILLA (counsel for defendant Jaehne): Mr. President, Your Honors: Like all great chemical factories, IG also had special technicians who, in quiet, tireless labor, made use of the ingenious discoveries of the chemists and doctors and who planned

* Tr. pages 4832–4836, 18 December 1947. The final statement of defendant Jaehne to the Tribunal appears in section XII 9, volume VIII, this series.

and constructed, in actual practice, the mighty plants where the processes conceived in the laboratories became a reality. As chairman of the Engineering Committee [TEKO], Director Jaehne was the first among these special technicians; a man whose qualifications as an engineering technician were in keeping with the size of the company which had placed him in this position and whose tremendous working sphere claimed all of his powers without exception.

The position of an engineer in a chemical factory is different than in other factories where the engineers make a practical use of their own inventions. Because of this special position of the engineer in the chemical factory, my client had no influence on the question as to what should be produced, or to what extent. They did not come to him until *after* the question was already decided as to whether the plant should be built and what was to be produced there. Then he was the man who was asked how the plant should be built most efficiently; and who also had to look after the necessary general installations, such as power plant, rail installations, wharf installations, workshops, etc.

Jaehne was chief engineer in Hoechst, and since 1938, deputy plant manager. His influence, naturally, was less considerable in the other plants of the IG, since there were chief engineers there whose position in the organization was equal to his. Only his positions as chairman of the Engineering Committee [TEKO] (since 1931), as member of the Technical Committee [TEA] (since about 1933), and, at first, as deputy member (1934), and later, (since 1938), as regular member of the Vorstand, enabled him to exert greater influence in technical and personnel matters.

Even in the Engineering Committee (TEKO) he was only "primus inter pares." Here his main task was to utilize the latest advances in physics and engineering technique for the installations and plants of Farben. Furthermore, TEKO had the task to make available cheap sources of power in enormous quantities, and finally, to enable the other plants to make use of the knowledge acquired in the individual factories; to see to it that the entire engineering system was conducted in a uniform way; to train young engineers and skilled workers; and to take part in discussions of personnel questions. The TEKO was only one of the 30 committees of the Technical Committee (TEA). Not all [applications for] credits, therefore, were submitted to it for an opinion, but only those that concerned technical questions, and the opinion of TEKO accordingly was given only from the engineer's point of view.

The defense will prove that, outside of these technical tasks which required his full attention, Jaehne had neither the oppor-

tunity nor the desire to bother about the politics of the Third Reich. Besides this, it will show that he was known to be a foe of any policy of war and violence. In spite of this, the authorities at that time understandably wanted to make use of the outstanding knowledge of this man, and made him a member of the Beirat of Reichsgruppe Industrie (Advisory Council of Reich Group Industry). However, he did not engage in any active work in this position nor in his position as Military Economy Leader (Wehrwirtschaftsfuehrer). This title the Reich Ministry of Economics conferred upon him, but not until the war, when it had become merely a title and required no preliminary examination as to political reliability. His work in the honorary offices, according to the record, and as will be proven in detail, always and exclusively concerned the purely technical field.

If I compare the counts of the indictment with the points of evidence of the defense, I may, after the statements made by the speakers before me, completely save myself any general remarks.

Director Jaehne did not take part in the planning and waging of wars of aggression; in any case, no more so than did some farmer who tilled his field and, during the war, contributed the products of his labor to feeding the soldiers. Just as this farmer, my client only did his duty as a citizen and nothing of a criminal nature.

Jaehne's position as chief engineer of Farben naturally resulted also in his technical advice being sought in the field of air-raid protection which mainly involved the construction of air-raid shelters and, hence, purely technical matters. However, it will be established that this was a measure of a plainly defensive nature, which had long been taken into consideration in all endangered nations. Beyond this, the defense will show that, in keeping with his entire character (which was completely in favor of work of a peaceful nature), Jaehne slowed up, economized, and opposed the demands of the Wehrmacht whenever he could.

As his position required, Director Jaehne also participated in preliminary work for the employment plans of the Hoechst plant in case of mobilization. It will be shown that this had nothing to do with a war of aggression either, but kept within the bounds of the measures of national defense customary in all countries. His activity was confined to providing the engineering section with figures on projects and raw materials which would be needed for the scheduled production of this branch of the plant.

Besides that, I shall prove that the Hoechst plant, like the plants of the Works Combine Main River Valley, did not supply any actual armament products. They were definitely geared to peacetime production. The investments also were used accord-

ingly. In the course of the war, certain intermediate products of peacetime industry were used as intermediate products of war industry. This is a necessary development and a phenomenon which lies in the nature of the chemical industry, which, in the final analysis, always resorts to the same basic products. The only exception is the sulfur-trioxide-chlorsulfonic acid solution (Nebelsaeure) which was supplied for military purposes even in peacetime. However, even before 1933, Hoechst had supplied this product to the small German Army and tiny German Navy for purely defensive purposes. The explosive hexogen was neither invented nor manufactured in Hoechst. On the contrary, some chemists at the plant merely discovered a new manufacturing process in the laboratory in 1935—at a time, therefore, when Director Jaehne was not yet deputy plant manager of the Hoechst plant and deputy chief of the plants of the Works Combine Main River Valley.

In the count relating to "spoliation," the name of my client is mentioned in the documents of the indictment only in connection with the oxygen and acetylene factory in Metz-Diedenhofen. In this matter, several letters of information were forwarded, among other places, also to Director Jaehne. Any active participation on the part of my client cannot be construed from these documents. The defense will prove that the negotiations were conducted by the commercial and legal departments while the technicians were only consulted in regard to questions of assessment. The defense will further prove that actually only a lease and not a sale was concluded and that the value of the plant increased quite considerably as a result of the investments made by the I.G. Farben. Jaehne had no knowledge of the fact that shortly before the end of the war, a small installation from a Polish factory had been moved to Offenbach on the Main, since it involved only a few machines with the insignificant value of about RM 20,000, and the Hoechst plant had neither induced the sale nor received any information about it. Herr Jaehne had nothing to do with the recruitment and the employment by the IG of foreigners and concentration camp inmates. Whenever applications for credit, submitted by the plants for the construction of huts for German workers, foreign laborers, etc., passed through the office of the Technical Committee [TEA] or were approved in technical respects by the Engineering Committee [TEKO], it was nothing but a formal procedure, in view of the fact that the type of huts, their numbers and size (including the additional buildings for a specific number of workers), had been fixed long since, and therefore also the costs for each bed space. The funds were granted to the individual plants which requested

them for the improvement of the workers' quarters and a rejection would have resulted in a deterioration of the foreign workers' lot.

As regards the conditions in the Hoechst plants, the defense will prove that the number stated for loaned workers, etc., in the graph Exhibit 1559 (*NI–7376 A*), Document Book 68, page 17a, is incorrect and bound to be misleading in view of the fact that no inmates of concentration camps had been employed in Hoechst at all. In refuting the affidavit by De Bruyn, Exhibit 1367 (*NI–11613*), Document Book 69, page 207, evidence will be submitted that the employment of foreigners and prisoners of war was conducted in an appropriate manner and was not in violation of Article 31 of the Geneva Convention, dated 27 July 1929. Furthermore it will be shown that arrangements had been made for adequate housing, food, good medical care, schools, sewing rooms, and that the plant manager, Professor Lautenschlaeger and Herr Jaehne, as his deputy, made particular efforts to this effect. Accordingly, the treatment of the foreigners in Hoechst was decent and humane. Beyond this, arrangements had been made in a generous way for recreational facilities. There were large club-rooms with radio, newspapers, libraries, canteens, athletics fields, sporting equipment, theater, moving pictures and above all, the possibility to attend religious services. On the part of the plant management, everything was done that was possible under the unfortunately prevailing war conditions. It was due to his engineering activity that Jaehne inspected many plants of the IG for the purpose of solving any special technical problems. Thus, he also paid a brief and fleeting visit to the Farben plant in Auschwitz. It can be proven that he did not enter the Monowitz concentration camp during this visit and has not seen anything which ought to have induced him to interfere with the independent management of this plant, which did not belong to his jurisdiction. Neither did he obtain any knowledge of gassings, either from observation or from any information beyond that of rumors.

The defense for the defendant Jaehne will open its arguments by interrogating the defendant on his own behalf, and thereafter will conclude by producing documents and affidavits as well as the interrogation of a few less important witnesses.

O. Opening Statement for Defendant Gattineau*

DR. ASCHENAUER (counsel for defendant Gattineau): In the

* Tr. pages 4838–4854, 19 December 1947. The final statement of the defendant Gattineau to the Tribunal appears in section XII 13, volume VIII, this series.

sentence pronounced on 3 and 4 December 1947, in Case III, the American Military Tribunal tried to explain the principles determining Control Council Law No. 10. It cited a number of reasons to substantiate the basis of the trials——

MR. SPRECHER: Mr. President, can we have an explanation of what is now happening?

PRESIDING JUDGE SHAKE: Is there an explanation needed?

MR. SPRECHER: Is this a part of the opening statement for one of the defendants?

PRESIDING JUDGE SHAKE: I so understand.

DR. ASCHENAUER: It is the opening statement for the defendant Gattineau.

MR. SPRECHER: The reason I asked the question is that it starts off in the same way as the motion which counsel was tempted to read before Your Honors the other morning, and I thought possibly counsel was addressing himself to that motion.*

PRESIDING JUDGE SHAKE: Very well.

DR. ASCHENAUER: I am not making any motion now; I am merely presenting to you my opening statement.

In the sentence pronounced on 3 and 4 December 1947, in Case III, the American Military Tribunal tried to explain the principles determining Control Council Law No. 10. It cited a number of reasons to substantiate the basis of the trials.

One question, however, which I submitted to Military Tribunal VI, the Court passed over in silence: The significance of the secret German-Russian Treaty of 23 August 1939 for the bringing about of the law and incidentally for the proceedings instituted here.

Therefore, I entered the plea for the nullification of the Control Council Law No. 10.

Before going into my arguments, I wish to state that when the plea will be considered by the Honorable Court in conjunction with the secret supplemental protocol dated 23 August 1939, proofs will be offered (to corroborate the statement of the defense) to the effect that—

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* On 12 December 1947, Dr. Aschenauer had attempted to read a long motion that the Tribunal declare Control Council Law No. 10 invalid. The Tribunal stated that defense counsel would be required to file the motion in writing according to the usual practice, and on 17 December Dr. Aschenauer did file the motion in writing. The major part of the opening statement on behalf of defendant Gattineau, which is reproduced here and which was delivered orally on 19 December, is almost word for word the same as the written motion filed two days previously. On 11 March 1948, Dr. Aschenauer filed a further motion requesting a joint session of the Tribunals to declare Control Council Law No. 10 null and void. The Committee of Presiding Judges denied this application on 17 March 1948. This order, signed by the presiding judges of five tribunals, is reproduced in volume XV, this series, section XXIV E 2. The Tribunal in the Farben case entered a true copy of this order in the record of the Farben case and made no further written order on Dr. Aschenauer's first written motion of 17 December.

a. At the time the attempt was made by leading German Social Democrats to divert the Communists from a line of action which, in its final effect, could be useful only to Hitler, Vynogradoff, a trustee [Vertrauensmann] of the Soviet Ambassador Chinchuk, declared to them in the Soviet Embassy that Moscow desired Hitler, because only after him would Germany become Communistic.

b. The NSDAP was financially supported by Moscow before the seizure of power in 1933.

c. The NSDAP continued to be permeated by elements whose allegiance was to Moscow.

As regards the formal side, I also take the liberty, as a precaution of pointing out that Article II(*e*), of Military Government Ordinance No. 7 [pursuant to Control Council Law No. 10], concerning constitution and competence of certain Military Tribunals, dated 18 October 1946, does not preclude the plea made the day before yesterday.

Article II(*e*) of Ordinance No. 7 combines two viewpoints, which, according to German criminal law, are, as a rule, dealt with separately: the challenging of judges and the raising of interlocutory objections.

I am raising the question whether the proceeding, in view of the international history of origin of the norms determining punishment of war criminals, is permissible at all. Doubt is therefore cast, not on the merely technical and local competence of the Court as such, but the basic question is posed as to whether the whole system of material and procedural norms laid down for judging war criminals, especially in view of its origin, can make any pretension to legal validity at all. Such a conclusion naturally cannot be excluded by a provision such as is contained in Article II(*e*) of Ordinance No. 7. To put it bluntly: a law that is materially or formally void cannot escape scrutiny simply because it [the law itself] forbids it.

I present the following as to the issue itself.

I.

The direct international basis of the prosecution of the German war criminals is the so-called Moscow Declaration of 30 October 1943.

On the basis of the provisions within the framework of the Moscow Declaration, the London Agreement of the Four Great Powers was issued on 8 August 1945, after conclusion of hostilities, as a result of which, constitution of a Tribunal for passing judgment on such deeds was agreed on, for which a regionally

defined place of crime did not exist. A statute [the Charter of the International Military Tribunal] was added to this agreement which regulated the constitution, competence, and procedure of the International Military Tribunal.

From the fact that the Allied Great Powers, represented by their organs authorized to act in accordance with international law, issued this Charter as an integral part of the London Agreement dated 8 August 1945, as well as from the characterization of the Charter by the verdict of the International Military Tribunal, it inevitably ensues that this Charter itself is to be regarded as an international treaty between the participating Great Powers.

Seen from the point of formal law, the prosecution of further war crimes cases has not been carried out on the basis of the Charter dated 8 August 45, but on the basis of norms which differ from this, both as regards sources and order. The Control Council, on 20 December 1945, issued the well-known Law No. 10 embodying the substantive penal law and the general basic characteristics of procedural law for war crimes trials which had not been proposed for a hearing before the International Military Tribunal. The question is, therefore, what type of law, from the point of view of source and validity, is characterized by the norm as "Law No. 10." In our opinion, Control Council Law No. 10 is to be formally termed a law issued by the Inter-Allied Occupation Power valid for Occupied Germany; materially, on the other hand, as an international treaty and, at that, a so-called implementation or execution agreement to the London Protocol [London Agreement] dated 8 August 1945. The possibility and necessity of attributing to the same legal norm the nature of both treaty and law is no anomaly in legal practice, but is quite customary and occurs frequently.

This dual nature of the norms with which we are concerned here, results from the peculiar dualistic position conceded by the occupying regime to the Control Council.

a. The Control Council exercises sovereign power "in Germany."

b. At the same time, the Control Council is also an international inter-Allied organ.

It ensues that Control Council Law No. 10 represents, in the first place, an international agreement; that, at the same time, however, it is a valid "internal" law for Germany.

As a treaty, Law No. 10—without prejudice to its formal execution and publication as internal German law—is subject to the same judgment which affects the origin, efficacy, and scope of every international agreement. In particular, basic laws

recognized by common international law, and concerning nullity, invalidity or concrete inapplicability of treaties, must apply also to Control Council Law No. 10.

II.

In my opinion, the London Protocol of 8 August 1945, (with all the rules issued for its supplementation and execution) constitutes a new legal institution, seen from the angle of international law; seen politically, it is an experiment. The London Treaties, including their regulatory statutes, must be classed with those treaties that, in view of the subtlety of the questions dealt with, in future, too, will be able to claim validity and general recognition only if these treaties have originated with politically loyal partners in a politically loyal manner. If this is the case, the principles laid down for the first time in these treaties, and practically applied in Nuernberg for the first time, will succeed and be able to claim validity for all future; however, if this is not the case, the public conscience will some day, sooner or later, form a negative opinion about this kind of procedure, quite regardless of the number of judgments pronounced and the number of trials actually held; and the time will inevitably come when this kind of procedure will not be considered as a continuation, but as a misuse of international law, and the conduct of these trials will no longer be regarded as generally binding criminal justice.

Therefore, it must be examined, whether the London Agreement of 8 August 1945, with its regulatory charter, can stand up against the objective criticism which public conscience is entitled to raise against such a far-reaching, momentous, and novel institution of international law. The axiom: "Nobody may be judge in his own matter," is self-evident for the national penal law. This is expressed by the catchword "*judex inhabilis*": The judge is excluded from exercising his authority if he himself was hurt by the criminal act or has a certain close relationship to the injured. Another reason for excluding the judge is not even mentioned in the procedural codes because it is absolutely self-evident.

The judge also may not exercise his powers as a judge if he himself is under suspicion of being a perpetrator or participant in the crime that is up for judgment. Compared to the national law of criminal procedure, the principles of *judex inhabilis* naturally are of only lesser importance in international law. In international courts, the participation of those nations which, directly or indirectly, have been injured by the actions under

indictment, will be preventable only in the rarest of cases, and on this very "incompatibility" are based the misgivings which again and again have been expressed in all countries against the exercise of an international jurisdiction.

We shall not go into details in this matter. However, the principles regarding the unfitness of the judge suspected of the crime also are important in international law, and particularly so in that connection. The accomplice to a war crime, or even more so, the provoker of it, must not be considered qualified to participate as a judge in proceedings against such war crimes.

It requires no special argument to establish that the principles developed here have only indirect significance for the concrete proceedings. The country to which the judges of the proceedings belong is free from suspicion of complicity in the instigation of an aggressive war. Something more profound is involved here. The same principles applicable to the judge must also apply to those instructing the court and providing the rules for the judge's decision. An international treaty designed to punish war criminals can demand respect and validity only if all the parties to the agreement are themselves blameless of those criminal acts which they refer for judgment to a special court by international statute. In case, however, one of the nations participating in the treaty has put itself outside international law by participating in crimes that are the subject of the indictment, the judicial sovereignty of the Tribunal is tainted with an irreparable defect, no matter which one of the victorious nations provides the judges. Considering the question of general validity, such rules of procedure cannot constitute a "contribution to the development of international law"; for a treaty that originated in this manner lacks, from the very start, the kind of authority before the "conscience publique," which such a novel creation in international law must possess if it is to succeed. The participation of a disloyal partner destroys the authority of such an agreement and is liable to make the participation of the partners not incriminated appear in a light detrimental to the validity of the international agreement. From the viewpoint of international law, the validity of such a treaty is opposed by reason of ineffectiveness.

At this point, the statement may, for the time being, suffice, that under certain conditions an "exceptio ex persona" directed against the whole conduct of one of the treaty partners may justify the invalidity of the whole treaty system. Therefore the reasons first must be examined, the affirmation of which, in our opinion must lead to denying that the Soviet Union is a qualified partner to the Agreement of 8 August 1945.

In this connection, it may remain open to question to what extent the Soviet Union regards itself bound by the system of the so-called war-renouncing agreements (Kriegsaechtungspakte). It is known that on 25 July 1932 she concluded a nonaggression and neutrality treaty with the Polish Republic. This treaty, which both parties ratified, was undisputedly in force and binding in 1939, when Polish-German relations became strained. The agreement of 25 July 1932 contained some of the following reciprocal pledges:

a. A non-aggression pledge.

b. A neutrality pledge.

c. An arbitration court clause.

d. A clause concerning the prohibition to participate in any agreements directed against one of the treaty partners.

This agreement was, as mentioned, not renounced by either party, and in force, when the historic negotiations between Ribbentrop and Stalin took place in Moscow on 23 August 1939.

The agreement which was reached there found its expression in two immediately effective treaties—the so-called nonaggression pact of 23 August 1939, whose contents were soon afterwards announced to the world, and the "secret supplementary protocol to the nonaggression pact" of the same date, which, in accordance with the purpose for which it was meant, pursuant to article 2, "was to be given top secret treatment by both parties." In the first Nuernberg trial, the secret supplementary protocol was not introduced in evidence. In the course of the trial, its text was given by Thomas J. Dodd, the American representative of the prosecution, to Richard Stokes, the correspondent of the "Saint Louis Post Dispatch," who published it in the above-mentioned paper on 22 May 1946.

The fact that the text of the secret protocol was not admitted during the first trial was based on the court's belief that the origin of the document could not be established with certainty. This situation, however, has changed since the first Nuernberg trial. Although more than 18 months have passed since the secret protocol was first published, and although the International Military Tribunal did not doubt the existence of such a protocol, the Soviet Government did not so far refute its existence.* Details about the negotiations concerning the secret protocol, and the

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* Document Lammers 158, Lammers Defense Exhibit 109 (not reproduced herein), a "memorandum for the Fuehrer" containing the full text of the "secret additional protocol" authenticated by the formal signatures of both Molotov and von Ribbentrop, was introduced in evidence in Case 11 (the Ministries case, vols. XII–XIV, this series) and is reproduced in section VI E, volume XII, this series.

fact that it corresponded to the meanwhile published text, have furthermore been confirmed by the testimony given by Dr. Friedrich Gaus during the Nuernberg trial on 15 March 1946.* Taking all this into consideration, there is neither any reason nor any possibility to doubt the existence of the secret protocol, the more so as the prejudication of the first trial is not shaken in any way; the guilt attributed to organs of the German Reich regarding the aggressive war against Poland, which has been ascertained in the first Nuernberg trial, cannot be voided by the existence of the secret protocol; however, the first Nuernberg verdict did not prejudicate that the responsible organs of the Soviet Union were innocent, or that they did not participate. This evidence, therefore, cannot be excluded.

The goals at which both parties aimed in this pact, and which, at least as far as Finland and, above all—in the light of the Anglo-French pledge—Poland are concerned, could only be achieved by armed aggression. These goals the pact stated in sufficiently clear language, in spite of the fact that its wording expressed nothing but possibilities. Nevertheless, in order to emphasize the nature of this pact (which constituted the actual salient point of all the agreements, and which degraded the "non-aggression treaty" into nothing but a front), certified evidence also will be submitted, which has been supplied by persons who participated in those negotiations.

According to Ribbentrop's testimony at the first Nuernberg trial, he and Stalin never thought of including the possibility of a peaceful settlement of the German-Polish conflict; on the contrary, Stalin stated that the negotiations would have to be considered as broken down if the USSR did not receive a promise that she would obtain half of Poland, Lithuania, and the port of Libau [Libava]. Agreeing in the essential points, but by far more comprehensive, is the affidavit by Dr. Gaus,* the head of the legal department in the Foreign Office. According to his testimony, Ribbentrop, during the negotiations with Stalin on 23 August 1939, mentioned the attack against Poland as a very possible move, although not referring to it as a matter definitely decided upon which is clear enough in diplomatic intercourse; the Soviet representatives took note of this statement, and, afterwards, commenced the discussions on the territorial problems that would arise from such an "eventuality."

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* Testimony referred to is an affidavit (Doc. Hess 16) by Dr. Gaus, who was Chief of the Legal Division in the German Foreign Office from 1923 to 1943, and who assisted von Ribbentrop in drafting the "secret additional protocol" under discussion. The German text of Document Hess 16 is reproduced in *"Trial of the Major War Criminals,"* volume XL, page 293.

Viewed politically, the contents of the secret protocol can be boiled down to a relatively simple formula.

All those concerned knew full well that the German war of aggression against Poland was only made possible by the Russian attitude. The "eventuality" of a German attack against Poland (which, in case of a Russian counterorder, by no means would have been "impending" but, in fact impossible, and in any case, highly improbable) became the absolute certainty of an imminent German attack, owing to the Soviet agreement. The attitude of the Kremlin during those fateful hours leaves no room for doubt that it was not Germany, but the Soviet Union, which touched off the aggression against Poland. The fact that its share of the booty—considering Eastern Poland, the whole of the Baltic States, a free hand in Finland and Rumania—would exceed, by far, the gains the actual "aggressor" might make, even under the most favorable conditions conceivable, was the obvious reason for the decisive role the Soviet Union played in the origin of the European war. That much about the political aspect. In the light of international law, the attitude of the organs of the USSR, at least toward Poland, signifies a violation of the treaty of 25 July 1932. In this treaty, the Soviet Union assumed the obligation not to participate in any agreement which was directed against the other signatory of the pact. It can be said that it is hardly possible to think of a more severe way to formulate an agreement (directed "against" another state) than that which prepares and makes possible the military annihilation and mutilation of the cosignatory. And it is equally difficult to conceive of a more drastic form of "joining" or "participating" in such a treaty, than the one chosen by the USSR; for, from a political point of view, this was a partitioning agreement to be realized by force of arms which was solely the concern of the USSR and the German Reich.

The Soviet march into Polish territory was explained by the "decline," respectively the "cessation," of the Polish State, which, in the eyes of the Soviet Union, resulted in the end of Polish sovereignty, and thus, the expiration of the Soviet nonaggression obligations arising from the pact of 25 July 1932. This argument evades the actual issue, and can only be assessed as a pretense. For at that time, demilitarization of Poland had not yet taken place, even according to German views, and the German military and political authorities were themselves surprised by the premature marching of Soviet troops into the Polish eastern territory. However, this is not even the point in question. For the violation of the Soviet Polish treaty of 25 July 1932 did not take place as late as 17 September 1939 (the day of the invasion),

but already was accomplished by concluding the secret agreement on 23 August [1939].

PRESIDING JUDGE SHAKE: If counsel would pardon the interruption now, the Tribunal is very much concerned about your being understood. We place no limitations or restrictions upon the subject of the opening statements that may be made here on behalf of any defendant. As we understand the rule, however, the practice is fundamentally a bit different when it involves the opening statement of the prosecution, and the opening statements of the defense. As we recall the rule, the prosecution is more or less limited to the statement of facts upon which it will rely for a conviction when it makes its opening statements. On the other hand, defense counsel is not confined merely to state the facts, but may also state the theories of his defense.

By that, I mean to say he may press his views as to the laws, as well as to the facts, in his opening statement. Under the rules by which this Tribunal is governed, two days are assigned for opening statements. The Tribunal is presently only concerned with the protection of the rights of all the defense counsel, so that they may have an opportunity to present their opening statements; and that must be done within the two days assigned for that purpose.

What I have said is merely a preliminary remark. We have now listened to your opening statement for almost 40 minutes, and before we would permit you to proceed we should like to be assured that the consumption of further time on your part will not deprive some defense counsel here of sufficient time to make his opening statement.

In that connection the President would observe that you have been reading from a manuscript which is already in the hands of the Tribunal. You may deviate from that, of course, before you conclude, but we should like to have a clear understanding now, before you consume more time of this session, that you are not encroaching upon the time of your associates, and that counsel for some other defendant may not be handicapped by a lack of adequate time to present his opening statement.

With those observations, may I inquire of you how much time you contemplate using to complete your opening statement?

DR. ASCHENAUER: I shall need another 20 minutes, Your Honor.

PRESIDING JUDGE SHAKE: Have you consulted with your associates, so that you can assure the Tribunal that you are not encroaching upon the time of any of your co-counsel? Will they have time to make their statements if we grant you another

20 minutes? Do you know that to be true? Can you assure us of that?

DR. ASCHENAUER: Yes, I can.

PRESIDING JUDGE SHAKE: You are making that statement in the presence of your associates, and we will accept your statement unless it is questioned; but we are most anxious not to encroach upon the time of the other defendants.

In view of your assurance, made in the presence of your associates, that you can conclude within the next 20 minutes, and that you will not thereby encroach upon the time of other counsel and deprive them of the opportunity to make an opening statement, we will permit you to proceed.

Just a moment, please—

DR. ANSCHENAUER: I shall skip a few parts of my opening statement.

PRESIDING JUDGE SHAKE: Very well then, with the understanding that you will conclude your opening statement within such limitations of time as not to deprive counsel who have not yet addressed the Tribunal, of the opportunity to make their opening statements with the time allotted, the Tribunal will not place any limitations on you whatever with respect to your statement.

Dr. Boettcher, did you wish to say something?

DR. BOETTCHER [counsel for defendant Krauch]: No, thank you, Your Honor.

PRESIDING JUDGE SHAKE: Counsel may continue.

DR. ASCHENAUER: The above-specified attitude of the organs of the Soviet Union concerned with international law not only falls under the provisions of the so-called violation of international law, recognized long since by the law of nations; beyond that, it also constitutes a crime against international law, as defined in the London Charter of 8 August 1945.

Though it is true that according to the Charter, the organs of the state that shares the guilt are exempt and may not be prosecuted, their conduct, as far as it constitutes the elements of crime, may and must be considered in order to arrive at some definite conclusions which are relevant for this trial. It will be up to this Tribunal to examine the question to what extent a possible precedent, established at the first Nuernberg trial (which had ruled that the question of the guilt of the Soviet Union could not be gone into because of her equal rights as co-victor and partner in the new international penal code), may still be in force today; for in the long run, it is also the task of this trial to contribute to the finding of the truth.

Going to the personal side of the case, I present the following; Seldom before has so much material been submitted in a trial

by the prosecution. Even more rarely, however, has so much been charged against defendants, in the press and in the indictment, as is the case here. Yet never has so little been proven as in the trial of Krauch *et al.* The prosecution loudly proclaimed Farben's alliance with Hitler, which is supposed to have been concluded in 1932 by Buetefisch and Gattineau. We waited for the proofs with close attention. They failed to appear. What was left was a conference of an informational nature. If, in politics, every conference of an informational nature is to be considered the same as an alliance, there probably would be more alliances than politicians.

If the prosecution had made a thorough investigation, it would have recognized the grotesque character of its allegation. It takes a great deal of imagination to set up the allegation that such an agreement was concluded during the life of a man like Bosch or Duisberg. It will be a minor matter for us to refute the charge of the indictment. In this connection I should like to quote only a few passages concerning the relations of Bosch and Duisberg to Hitler. Dr. Jur. Baron Kurt von Lersner, formerly president of the German Delegation to the Peace Conference at Versailles, writes the following concerning the attitude of Carl Bosch toward Hitler and the NSDAP:

> "The attitude of Carl Bosch to Hitler and the National Socialist Party can perhaps best be perceived from the crushing criticism which he sent to me in connection with his first meeting with Hitler: "Hitler is nothing; nothing at all! That is all a deliberate swindle!"

We also have the following statement concerning Dr. Duisberg's political attitude:

> "I can testify that Geheimrat Duisberg was always an opponent of national socialism and remained so, even after the assumption of power [by Hitler], up to his death. There was no lack of attempts to win him over to national socialism, but he in no way let himself be moved to help the Party."

Bosch and Duisberg were the leading personalities of Farben, and vigorous opponents of the NSDAP. In 1932, Buetefisch and Gattineau were uninfluential employees of Farben. In view of this actual situation, then, does the prosecution seriously believe that these two men had concluded an alliance with the Party?

I believe—and I ask you to forgive my harsh expression—I believe that the prosecution's allegation of an alliance is so contrary to healthy common sense, that it is almost superfluous to offer proofs against it. It is humorous to see how, in the effort

to collect evidence, a fine confusion of names has crept into the charges. At the court session of 2 September 1947, it was alleged that Carl Duisberg informed the Reich Association of German Industry that "he was prepared to contribute to the Adolf Hitler Fund," while emphasizing his outspokenly approving attitude. Dr. Curt Duisberg gives us the following correction to this:

> "A confusion of names is involved here. It was not the chairman of the Aufsichtsrat, Geheimrat Dr. Carl Duisberg, but I myself, in my capacity as head of the Central Committee [Zentralauschussbuero] Office, who was present at the conference with the Trade Association of the Chemical Industry, and who prepared the memorandum of 16 June 1933."

Surely any of the defendants could have told the prosecution this if they had been asked for it.

The prosecution has made many claims about Gattineau in its opening statement. He is supposed to have been the economic adviser of Roehm, a leading political representative of Farben who headed the WIPO [Political Economic Policy Department] for 6 years. But they have not presented any proof of what Gattineau actually did.

Undoubtedly the prosecution has felt it was necessary to establish a connecting link between 1932 and 1939. Therefore, some other meaning than was actually the case had to be assigned to the WIPO, the National Advertising Council [Werberat], etc. To be sure, proof is still lacking. The prosecution connected the establishment of the WIPO with the coming to power of the Party. That this is obviously wrong was already shown in the presentation of evidence by the prosecution.

The importance of the activity of WIPO (which was an office used for intermediary purposes and for forwarding correspondence, as was shown by the interrogation and cross-examination of Krueger), was inflated artfully to that of a highly important and political instrument. Similar efforts were made by the prosecution in regard to the Wirtschaftsfuehrerkreis and the Werberat der Deutschen Wirtschaft [National Advertising Council of the German Economy]. The prosecution also has not proven and has offered no valid evidence in the Austrian affair and in regard to DAG [Dynamit Aktiengessellschaft] Pressburg [Bratislava]. In the "Austrian question," for instance, it will be seen that it was a matter of continuing negotiations with Skoda-Wetzler, begun long before the Anschluss; and for the rest, that it was a matter of internal reorganization of DAG firms without any pressure of any kind from Farben.

Furthermore, the prosecution itself did not claim in its presen-

tation of evidence that Gattineau participated in carrying out the negotiations of IG in Austria.

The Pressburg matter characteristically illustrates the presentation of evidence by the prosecution. Gen. Telford Taylor claimed with pathos:

> "After 1938, he (Gattineau), as director of one of the largest Farben factories making explosives in the occupied territory, participated in supplying and abusing forced labor, and in spoliation."

Here too, again, we had to wait for proof in vain. The prosecution has not presented a single document. This would also be difficult to do, because neither foreign labor, forced labor, concentration-camp inmates, nor prisoners of war were used as workers in Pressburg.

There is just as little opportunity for the prosecution to prove its contention that plundering had occurred in Pressburg. Under these circumstances, it is perfectly understandable that Judge Morris pointed to the irrelevancy of the material until the beginning of hostilities in 1939. In my opinion, this pertains above all to the defendant Gattineau.

When we keep in mind that that is the result of the efforts made by the prosecution for 2½ years, it is something less than a scanty result. I do not wish to criticize the prosecution. For it is difficult to present evidence against a defendant who has committed no crime according to the counts of the indictment. If the prosecution were granted as much time again for its preparation, it would again have the same failure. The further development of the trial will show this clearly.

P. Opening Statement for Defendant Kuehne*

DR. GUENTHER LUMMERT (counsel for defendant Kuehne): With Your Honor's permission, I would like to refrain from making a special opening statement for the defendant Kuehne, and this for the following reasons:

1. To avoid unnecessary repetition and thus to speed up the proceedings, since the Tribunal has already listened to 13 opening statements.

2. In view of the, indeed, minimum charges against the defendant Kuehne.

* Tr. p. 4855, 19 December 1947. The final statement of defendant Kuehne to the Tribunal appears in section XII 10, volume VIII, this series.

3. In view of my written motion of 11 December 1947, which is awaiting the Tribunal's decision.[1]

May I add that I do not intend to read an opening statement at a later time in case my motion mentioned above should not be granted. In that case, I shall submit my legal arguments later in my final speech, and shall give a brief introductory survey in regard to my evidence at the beginning of the case in chief for the defendant Kuehne, when my turn comes.

I, therefore, beg to be excused from making an opening statement, and to give the time gained through this to those of my colleagues who may exceed the allotted time in presenting their opening statements.

Q. Opening Statement for Defendant Buergin[2]

DR. WERNER SCHUBERT (counsel for defendant Buergin): Your Honors, the defendant Dr. Buergin saw the collapse of the so-called Third Reich from his headquarters at Bitterfeld. Bitterfeld, which is in the Russian Zone, was occupied at that time by American troops. The American Occupation Force was naturally informed that one of the major Farben works was situated at Bitterfeld. American specialists and administrative officers accompanied the troops who immediately commenced investigations of technical installations on the spot and, in addition and more particularly, of the conditions of foreign workers. The outcome of these investigations was that, having filled out one of the usual questionnaires, my client, Dr. Buergin was completely cleared, no restrictions being imposed upon his freedom. He even received from the Occupation Forces permission to leave Germany; a privilege which, as is well known, is granted only in very rare cases today. Dr. Buergin proceeded to a French firm which, for a long time, had been on friendly business terms with Farben. This firm, likewise, found nothing objectionable in his conduct, and accepted him as a member of its staff. There Dr. Buergin was able to carry on his work in his particular field until the summer of 1947. After the general indictment had

[1] The motion requested that the Tribunal dismiss forthwith all the charges against defendant Kuehne. A supplementary motion to the same effect was filed again on 8 January 1948. On 1 June 1948, the Tribunal entered an order stating that it would not pass upon these motions "prior to the rendition of the judgment" and that the motions "will be considered in connection therewith after the Tribunal has had the benefit of the arguments of counsel and their briefs" (Official Court File, volume 52, page 2952). In its judgment (section XIII, volume VIII, this series), the Tribunal found defendant Kuehne not guilty under any of the four counts under which he was charged.

[2] Tr. pages 4855–4865, 19 December 1947. The final statement of defendant Buergin to the Tribunal appears in section XII 6, volume VIII, this series.

already been served in this trial, Dr. Buergin was arrested in France by order of the prosecution. He was unable to take any effective steps against his extradition as, in France, he was without the means which would enable him to enlist the services of a lawyer. He was brought to Nuernberg and there saw the indictment as a whole for the first time, having previously been informed in Aix-en-Provence of the charge of complicity in the use of so-called slave labor and alleged collaboration in the Four Year Plan. He was taken into custody, a charge was brought against him, and he was brought to trial without having had any previous opportunity to explain his position, to clear himself, or to refute the accusations contained in the indictment. Thus, Dr. Buergin has been involved in a trial despite the fact that the material submitted by the prosecution brings no proof whatsoever to substantiate special accusations which could justify the monstrous charges brought in the indictment. One cannot, therefore, help feeling—and in this trial, the defense is dependent to a large extent upon hypotheses in assessing the prosecution's evidence—that Dr. Buergin is held responsible by the Court less on the grounds of specific accusations, but chiefly because he was a member of the Farben Vorstand.

In its opening statement, the prosecution raised the question of the collective guilt of the Vorstand and concluded, naturally, that the guilt was collective. It is hardly appropriate to gauge the depths of such a difficult question in this opening statement. I should, however, like to stress the point that such a complicated and unusual legal construction of the facts can come into consideration only if certain minimum requirements have been proved by the prosecution. This would necessitate proof of the fact that members of the Vorstand actually have committed crimes, the judgment of which falls within the province of this Court; that those members of the Vorstand, who had no part in the commission of crimes, had full knowledge of the facts of the case and were in agreement with criminal actions taken; and that they did nothing to prevent the continuation of such criminal actions, although being in a position to do so.

In my opinion, there can be no question of the prosecution's having brought any such proof.

If one rejects this conception of the collective guilt of the Vorstand, which, though interesting as a concept, is impracticable, counts one and five of the indictment would seem to seek legal justification (in the case of Dr. Buergin) mainly in the provisions of Article II 2(*f*) of the Control Council Law, because he occupied a high position in the industrial and economic life of Germany.

In the motion, which was supported in detail and submitted by most of the defense counsel in this trial, for the rejection of counts one and five of the indictment on the grounds that they have insufficient basis of fact, opinions have already been expressed on the question of whether the defendants in this case can be charged with the commission of a crime against peace. I should merely like to supplement the motion as follows:

The provisions of Article II 2(*f*) of the Control Council Law cover new ground not appearing in the statutes of the IMT. According to the literal interpretation of these provisions, every person who occupied a high political, public, or military position in Germany, or who held an important post in the financial, industrial, or commercial world, must of necessity be guilty of a war crime. Obviously, the prosecution at Nuernberg did not represent this point of view; otherwise, it would have been able to accuse every defendant, in each of the cases tried, of a crime against peace, on the grounds of his official position. Article II 2(*f*) thus requires a restrictive interpretation, a fact which the prosecution in this trial does not fail to recognize. It is attempting, however, to lay upon the defendant the responsibility for proving his innocence, basing its conduct on the provisions of Article II 2(*f*) of the Control Council Law. This line of action cannot be in accordance with the spirit of these provisions, either; for how could the defendant bring proof of a negative concept, of his lack, that is to say, of participation in crimes against peace? In my opinion, the restriction is rendered absolutely necessary by the fact that Article II 2 defines the conception of the principal or participant. Figure *f* thus defines a form of participation. Not every person who held a certain office can be a participant in an offense simply by virtue of having held this office, but only he who, holding this office, collaborated in any way in criminal activities. This is not the case as far as Dr. Buergin is concerned.

At the outset of my review of the prosecution's evidence relating to Bitterfeld (all of which does not, however, concern the defendant Dr. Buergin), I should like to state that Dr. Buergin first became a member of the Vorstand of IG on 1 January 1938, and was, in fact, only a deputy member until May 1938, from which time onwards he was a regular member.

The defendant Buergin came to Bitterfeld in 1931 from Rheinfelden (Baden), where he had been works manager. He was transferred there within the framework of the great IG Konzern. From a position in which he had been able to act independently, he was transferred to a far wider sphere of activity, but to a post in which he was dependent on the instructions of his chief.

According to the German Code of Commercial Law, his position was that of Prokurist. His duties were in no way changed by the fact that he received the title of Deputy Director in 1933. At first, the management of Bitterfeld Works South was entrusted to him as chlorine specialist, and in the course of time, he was also placed in charge of the inorganic departments of the so-called Works Combine Central Germany, which included, in addition to the Bitterfeld works and the Wolfen/Farben plant (which should not be confused with the Wolfen-Film works), the following plants, mentioned in this trial: the plants at Aken, Stassfurt, Teutschenthal, Scharzfeld, Doeberitz, and Rheinfelden. Dr. Pistor, who also appears in the indictment, was chief of the entire Works Combine Central Germany up to the time when Buergin became a member of the Vorstand. Under Dr. Pistor's management were carried out most of the extensions, constructions of completely new plants, and the establishment of new installations in, or enlargements of, individual plants in the works already in existence, to which the prosecution raised objections. Consequently, when Dr. Buergin, on 1 January 1938, took over the management of the Works Combine Central Germany, the industrial expansion program which is being denounced by the prosecution as a crime against peace had, in the main, already been executed. Buergin only had to complete what others had already begun.

In Bitterfeld, Buergin first became acquainted with the production and manufacture of magnesium; he had had nothing to do with such work in his former sphere of activity. Magnesium was first developed for use as an industrial material exclusively in Germany; the true promoter of the development work leading to the discovery of this process was my client's predecessor, Dr. Pistor.

The development of this particular metal in Germany is to be attributed to special circumstances prevailing in Germany which explain much of what took place in the field of industry in Germany and divest it of the criminal character imputed to it by the prosecution. Germany has always suffered from lack of metals of all types within its own frontiers. However, the raw materials for the production of magnesium—particularly carnallite and dolomite—were in plentiful supply in Germany. Hence the efforts of German research scientists to obtain, from the abundant supplies of these raw materials which were allowed to run off into the rivers with the waste water, a light metal suitable for technical purposes. A start had been made in this work as early as the turn of the century, and despite all setbacks, truly remarkable tenacity was displayed in the constant efforts made,

and in the repeated discovery of new ways of overcoming difficulties arising in the train of the development work. Plants for production on a large scale were first erected in Bitterfeld during the First World War. After Germany had lost the war, the production plants passed muster by the Military Control Commission in office at the time. The installations were modernized and it became possible for this exceptionally light metal to be used in many fields throughout the world, particularly in Germany; and it was introduced in those fields in which weight reduction plays an essential role, particularly, therefore, in the construction of engines and motor vehicles. Just as the untiring efforts and the vast sums of money devoted to this purpose began to show returns, the economic crisis came, hitting Germany much harder than any other country. Production and sales declined considerably. The prosecution has taken these slump years as the starting point for its comparative statistics, figuring a 4,000 percent increase in production between 1930 and 1943. It is a known fact that statistics, though accurate in themselves, can present a totally false picture, and so it is in this case, as confirmed by the witnesses Elias and Struss during their cross-examination.

When industry again began to recover, after the assumption of power by the National Socialists in 1933, a fresh impetus was felt in the field of magnesium. It is quite understandable that those men of the IG—who, with untold trouble and at great cost, had developed this metal into a usable material—should grasp the opportunity to show on a large scale what they had hitherto only been able to do in small measure, or within the scope of the laboratory. None of these men considered it a crime that this increase in the production of magnesium in part benefited German rearmament, since all of Germany's neighbors were in a high state of armament, and the political situation of the disarmed German Reich in the midst of these armed neighbors was neither secure nor enviable. Therefore it came about that the magnesium works were built in Aken and Stassfurt—in which action, however, Dr. Buergin at that time had no active part. It is a foregone conclusion that during the war production in this field particularly had to be, and in fact was, pushed; it is, therefore, perhaps not necessary to enlarge upon it any further.

The prosecution has singled out the magnesium matter in order to prove that the IG not only supported rearmament in its own country, but also, in a methodical manner, consciously and ruthlessly excluded the rest of the world from participating in the progress achieved in this field, restricting its production in other countries and so, creating a perceptible shortage on the

part of the enemies of Germany in the last war. I shall prove that the direct opposite is the case.

The IG has consistently taken the greatest trouble to interest other countries in magnesium. Since the beginning of the twenties, there existed the friendliest relations with Great Britain in this field, and those established with the USA since about 1923 were intensified at the end of the twenties. An agreement was concluded with the greatest aluminum producers in the United States and in the world, viz, the Aluminum Company of America, which served only the purpose of making magnesium known in the USA and of promoting its production and sale. In England, IG in 1935 built a magnesium plant for an English undertaking, the products of which were later used by the Allies in the air war against Germany. In order to further the production and the utilization of magnesium abroad, the IG imparted its knowledge right up to the outbreak of the war, and in the most loyal manner, to England, France, and the USA; and even in 1940, after war had broken out, they tried to transmit to their American business friends the latest results of their research.

This was the IG Farben whom the prosecution charges with having restricted the industries of other countries in this field, and having industrially weakened the potential enemies of Germany, in order to use all possible means to support the preparations of the National Socialist war machine. I shall prove that Farben [personnel] loyally conducted themselves towards their foreign business partners in the most commendable manner, and that this took place from 1938 on, under the leadership of my client, Dr. Buergin.

My client is also accused of participation in plunder and spoliation in connection with the Norwegian question. Dr. Buergin was a member of the Aufsichtsrat of the Nordisk Lettmetall A.S., which was founded during the war with the object of effecting a considerable increase in Norwegian light metal production. Dr. Buergin's only part in the establishment of the Norwegian business was that of a technical expert; he had nothing to do with the financial transactions. The statements of the witnesses so far will already have shown that the founding and the acquisition of the production localities of the new Norwegian company constituted neither spoliation nor plunder.

My client is finally charged by the prosecution with participation in enslavement and mass murder.

As in all German plants, foreign workers also were employed in Bitterfeld. The circumstances here are somewhat special, because in Bitterfeld a large camp was constructed already before

the war for the reception of nonlocal workers. The necessity for this was created by the fact that the industrial area of Central Germany, because of its rich lignite deposits, had developed especially rapidly since the First World War, so that soon there occurred a shortage of labor, and housing for the influx of workers could not quickly enough be provided. In consequence, it was found necessary to establish a camp, which before the war was especially carefully and especially comfortably equipped. The foreign workers were then later on placed in this camp, which consequently had to undergo some extensions.

Concerning the manifold legal questions which resulted from the employment of foreign workers, one of my colleagues has already indicated and explained the position taken up by the defense. I do not wish to tire the Court with further legal statements on this point. I should like, however, to establish in principle that the serious charge of the utilization of slave labor requires substantial argument, and merely to establish that the workers were being used against their will is not sufficient. In that case, every employer in Germany would have rendered himself liable to punishment, since all, even the smallest undertaking and enterprises had foreign workers. Every farmer, every housewife who employed Polish or Ukrainian domestic helpers, would thus be a war criminal, a consequence which has not so far been drawn either by the Allies or by the German authorities occupied with the punishment of war criminals. Here again, therefore, some sensible limitation must be made, of which the prosecution too, is apparently not unaware, since it is endeavoring to prove inhuman conditions in the camps, in the treatment, and in the working conditions of the foreign workers. In this respect, the material submitted by the prosecution regarding the plants of the Works Combine Central Germany (Betriebsgemeinschaft Mitteldeutschland) is scanty. It consists solely of the affidavit of a French worker, who has so far not even been put up for cross-examination. Should this not subsequently be done, I shall object to the admission of this affidavit.

I myself, however, am in the position to prove that it was my client in particular who, with an understanding based on extensive experience abroad and a warm feeling for the workers who had come into a strange land, recognized what had to be done to lighten the burden of the foreign workers; who constantly, in works and departmental discussions, gave directives, suggestions, and orders to this end; who saw where the most energetic help could be rendered; and who finally, also, had the satisfaction to see that the American administration officers

entering with the troops found nothing objectionable, that the foreign workers had no complaints to make to the Americans in reply to their pressing questions, and that, in some works, the foreigners handed in letters of thanks before their departure.

Before I conclude these statements, I should like to draw the attention of the Court to the following point:

As I emphasized in the beginning, the Bitterfeld Works lies now in the Zone of Germany occupied by the Soviet Union. It has become evident, not only in my own defense presentation, but also in that of my colleagues, whose clients were directors of works [now] in the Soviet Zone, that the obtaining of defense material from this zone meets with extraordinary difficulties. It is not only true that the witnesses concerned are afraid of getting into political difficulties if they give their former works managers a truthful affidavit concerning events of the war and prewar period—which fears, according to experience, do not beset the witnesses in the Western Zones; but it is also a fact that documentary material cannot (or only with the greatest difficulty and to the most limited extent), be obtained from the works of the Eastern Zone, which—like Bitterfeld—in every respect have become Soviet government plants. I beg the High Tribunal, in the assessment of the evidence of the defense, to take this point of view into consideration—and not to let the defendants who directed plants in the Eastern Zone suffer for these excessive difficulties in the procurement of evidence.

R. Opening Statement for Defendant Ilgner*

DR. NATH (counsel for defendant Ilgner): May it please the Court. The prosecution has endeavored to prove to the Court that my client, Dr. Max Ilgner, is allegedly guilty of count one of the indictment; namely the planning, preparation, and waging of a war of aggression, because allegedly he carried on espionage and propaganda activities in preparation of war, as head of the IG office which was in Berlin and is known by the name of "Berlin NW 7."

In this connection, the prosecution names the Economic Research Department (Volkswirtschaftliche Abteilung), the Political-Economic Policy Department (Wirtschaftspolitische Abteilung) both of which functioned in the office Berlin NW 7; it points to the IG liaison men [Verbindungsmaenner] who were

* Tr. pages 4866–4877, 19 December 1947. The final statement of defendant Ilgner to the Tribunal appears in section XI 8, volume VIII, this series.

employed abroad by the Konzern; it names the Carl Schurz Association whose president my client was, and which, as I shall prove, endeavored to bring about an understanding between the American and German nation. The prosecution believes that the gatherings which took place in the course of the "Kieler Woche," and at which meetings were arranged between the representatives of the German economy and industrial and commercial representatives from abroad, have to be looked upon as infamous and camouflaged enterprises, whose sole purpose was espionage. Even the trips abroad which my client undertook in the interest of his firm were, according to the prosecution, nothing else but the trips of a man whose object it was to utilize the experiences and informations which he had gathered abroad for the planning and waging of a war of aggression.

So many statements, so many errors. I believe to be more precise when I say that the prosecution has construed suppositions which lack any conclusive and valid proof to sustain its accusations. I should like to point out right here that not a single witness for the prosecution, cross-examined by the defense, has confirmed up to now that Dr. Max Ilgner, either on his own, or with the aid of the mentioned offices or meetings, has been active in a manner which could be described as espionage or be accepted in law as preparation and planning of a war of aggression. At this point, I am not taking into consideration the fact that the prerequisites under which a defendant could be considered guilty of planning, preparing, and waging a war of aggression, according to the verdict of IMT, apparently have not been observed by the prosecution. I shall elaborate on this point in my final plea.

I shall try, therefore, to observe those principles in my argumentation which are the tools of every lawyer, namely to examine: (1) what has been asserted, (2) is the assertion conclusive, and what is the proof offered, and (3) what is the counter-evidence. Then I shall draw the conclusions which I intend to present to the Court after due consideration of the result of the evidence.

An important point which will be my guiding principle is the question of personal guilt. I shall not neglect to point out in this trial, as I have already done in the trial of Flick *et al.*, the principles stated by Military Tribunal II in its judgment against former Field Marshal Milch, which I consider of prime importance. In this judgment, the Court took into consideration the ancient and fundamental concepts of Anglo-Saxon law which are deeply rooted in the English common law, and which have

been strictly maintained in the United States since their origin. These maxims are:

"1. Any person accused of a crime is to be considered at first as being innocent"

and

"2. He will be considered as such until he can be proved guilty beyond reasonable doubt."

In order to enable the Court to make an examination on the basis of these principles, it is necessary that I explain the position and standing of my client within the Vorstand of the IG. In connection with this, I shall show the intention and purpose of the office Berlin NW 7, in which my client found his sphere of activity.

When we examine the individual guilt, we cannot take note of the defendant as a person without occupying ourselves in more detail with him; that is, we must get a picture of what belonged within this man's sphere of work, what was the intent of his work, and at what he aimed. This picture will contrast most strikingly with the picture which the prosecution has drawn of my client.

It is known to the defense that during the war there appeared an inflammatory pamphlet in America, under the title "The Horsemen of the Apocalypse of the I.G. Farben," which was directed against the IG and its leading employees for transparent motives—we may safely call them motives of competition. We believe that we can see in this fact a source which influences the outlines of the picture—possibly subconsciously—which the prosecution has drawn of the defendants in the opening statement.

If I now point to my client as a person who is supposed to have lent his hand in the planning, preparation, and waging of a war of aggression, I cannot help but remind the Tribunal of the statements of the prosecution witness, Dr. Kurt Krueger,* who spoke in a convincing manner about my client, and I quote: "* * * that he (Dr. Ilgner) was blowing the shepherd's reed of peace so loudly that in so doing he did not hear the blaring of the trumpets of war." These words, however, aptly characterize my client's personality with respect to count one of the indictment.

This man was in charge of the office "Berlin NW 7," which, as I have already mentioned, included among others, the "Volkswirtschaftliche Abteilung" (VOWI). This Volkswirtschaftliche

* Complete testimony of the witness, Dr. Kurt Krueger, is reproduced in the mimeographed transcript for 28 and 29 October 1947 (pp. 2941–3029), 17 December 1947 (pp. 4693–4707), and 9 April 1948 (pp. 11131–11163).

Abteilung [Economic Research Department] was an idea of Geheimrat Carl Bosch, who had sent Professor von Moellendorff to New York in 1928 to study the setup of the National Industrial Conference Board, with the goal in mind to get to know this institute which is so essential to American industry, and to create a similar set-up in Germany, if possible. My client, who happened to be in New York at this same period, and who met Professor von Moellendorff, seized immediately upon this idea with the openness of mind which is characteristic of him, because it was in line with his cosmopolitan attitude which was directed toward an economic collaboration of nations. To this end, the work of such an economic research department provided him with the necessary equipment. There existed a close contact with the then President of the National Industrial Conference Board, Magnus Alexander.

Professor von Moellendorff and Dr. Ilgner considered this American institution served the purpose so adequately, that they used this model for IG and founded a corresponding department, namely the VOWI. However, in order to comply with the original conception of Geheimrat Bosch, the obligation developed to make the work of this "Volkswirtschaftliche Abteilung" accessible to the entire interested German national economy. Thus the VOWI was no secret office. Every major businessman was able to request information there about data of national economy which interested him. And in nowise was it unusual if government authorities (as for example, the Ministry of Economics or the Economic Department of the Foreign Office, and later, during periods of threatening political entanglements—particularly during the war—the military authorities) also demanded information and data from this Economic Research Department. I believe that I am not in error when I suppose that the National Industrial Conference Board likewise placed its work at the disposal of the American authorities without hesitation, and that perchance in America there is no need for a law which compels private firms to give information to government authorities, as was the case in the Third Reich.

THE PRESIDENT: Counsel, I am sorry to interrupt you, but the courtroom is getting a bit cold and I am advised that the heat cannot be turned on while we are in session because it interferes with the sound system. If you could find a convenient place in the next minute or two to suspend for our recess, I think we will all be more comfortable when we reconvene. I leave it to your judgment as to where you wish to interrupt your presentation.

DR. NATH: Mr. President, I also think it is very cold here,

and I should like to interrupt at this point and continue after the recess.

THE PRESIDENT: Thank you very much. We will take our recess at this time.

(Recess)

THE MARSHAL: The Tribunal is again in session.

THE PRESIDENT: Gentlemen, we are going to try to operate with a part of the heating system running, and I am hopeful that there won't be too much interference. If it does interfere too much with the sound system, please let us know, and we will have it discontinued, but I think we will be more comfortable if we can operate with the heat on.

Counsel, you may proceed.

DR. NATH: May it please Your Honors, I am going to continue my statements with reference to VOWI.

Beyond this, there existed an exchange of work between the VOWI and the great English concern, Imperial Chemical Industries, and with the National City Bank of New York, as well as with a number of other organizations which had similar institutions at their disposal. Naturally, there also existed such an exchange of work with German institutes, as for example, the Institute of World Economy [Institut fuer Weltwirtschaft] at the University of Kiel, and the Institute for Market Analysis (Institut fuer Konjunkturforschung) in Berlin. The prosecution has submitted to the High Tribunal a list regarding the work of the VOWI. This list is incomplete. I will endeavor to complete it. I would be happy if I could lay all the work of the VOWI on the judges' bench and be able to suggest that they pick out a piece of work at random in order to examine whether this justifies the supposition that tasks are involved which were pursued in preparation for war. Unfortunately, I shall not be in such a position, due to lack of time and because many libraries and private collections were destroyed through air raids. However, I shall be able to submit some of this work in my document book before the Tribunal, in order that the Court may gain an impression of it.

The keen international competition in the world market made it mandatory that knowledge of the widest scope possible be utilized—if this Economic Research Department was to be of any use whatsoever. Everyone knows that the economy of a country is influenced by the policy of the governments. As a result of this, a reliable study of the market could not very well disregard the political situation of a country, insofar as the economy is influenced by it, for false analyses are expensive if

sums are invested in enterprises which might possibly be destroyed for political reasons.

In the eyes of the prosecution all this is espionage. For the international businessman, however, it is an economic necessity. In the same way, for instance, it was possible, thanks to the work of the Economic Research Department, that the IG was not caught unprepared by the devaluation of the dollar in the spring of 1935 and thus was spared very considerable losses. This was undoubtedly to my client's credit. In the course of my argumentation, I will, therefore, have to prove to the Tribunal that the assertions made by the prosecution concerning the VOWI and its work are incorrect.

The same applies to the Political-Economic Policy Department [Wirtschaftspolitische Abteilung] which is also totally misjudged by the prosecution. There can be no question about it that an enterprise of world repute such as IG was bound to be interested in the plans of the authorities with regard to trade policies such as, for instance, tariff policies. The rigorous regulations which, due to hard times, controlled Germany's internal economics (with its acute shortage of raw materials which even now the U.S. authorities have plenty of opportunities to study), necessitated the adoption of a quota system and many other economic measures by the government. On the other hand, the IG sales combines tried to transmit their suggestions—for instance, concerning the formulation of commercial treaties—to the relevant government offices by means of this department. According to the prosecution's opinion, it was an institute for espionage. The proof for this allegation, however, is still wanting.

I must briefly remark here that this department must not be confused with the "Vermittlungsstelle W" which (although it, too, had its office in the "Berlin NW 7" building) had, however, nothing to do with my client.

I will have to explain to Your Honors in the course of my argumentation the activity of the so-called IG liaison men [Verbindungsmaenner] which, although quite unjustly, seem to have roused the special attention of the prosecution.

This activity, too, followed the example of an institution in foreign countries, of which Dr. Ilgner had learned in the course of his travels abroad, and which he had recognized as rather useful for the business of his firm. The "supervisors," a regular institution of the Standard Oil of New Jersey, the National City Bank, and the Imperial Chemical Industries, served as a model for the IG liaison men. They were men who sold IG products in foreign countries. One of them was chosen for a certain country as *"primus inter pares"* to look after the IG sales in-

terests in their totality in the respective country. The position and the task of these men is being totally misjudged by the prosecution. In the course of my argumentation I shall refute the prosecution's picture, according to which the reports, which were dispatched by these liaison men to Berlin NW 7 allegedly served the purpose of espionage.

None of the IG liaison men was ever engaged in espionage activities with my client's knowledge or consent; much less did any of them ever receive orders from him to do so.

Since, however, this accumulation of inaccuracies is not yet enough, it is finally my client himself, who, according to the prosecution, went abroad to act there as chief of the espionage organization, so to speak. Now, it is true that my client, on his business trips, proceeded rather conspicuously; he was accompanied by other people, and his universal attitude caused him to get in contact with a great many important persons of the respective countries. His interest covered all institutions of note in, I suppose, every field, and every one that took an interest in him knew where the "great spy" was, at which hotel he stayed, what his thoughts were, and what he ate. Such a man, who was constantly in the limelight, who took an interest in everything, and who openly spoke his mind on all subjects, is, indeed, a poor spy! Nothing is more unlike the character of my client, nothing is rejected with greater indignation by him, than the allegation that he had utilized his business connections for the planning and preparation of aggressive war.

When presenting my documentary evidence, I shall submit to the Tribunal the text of the speeches—as far as these are still available and accessible to me—made by my client at home and abroad. Thus, in 1937, in Paris, Dr. Ilgner made a speech before the International Chamber of Commerce. In 1938, he lectured at the Institute for World Economy of Kiel University; in the same year he spoke at a meeting of the German-Dutch Society in Berlin; in 1941, he addressed the Central European Economy Conference in Vienna. There followed speeches made by him during the war in Budapest, before the Union of Industrialists; and in Bucharest, in the course of the German-Rumanian Industrial Committee Conference. My client spoke also in Oslo, Stockholm, and Copenhagen.

These speeches show with all clearness how far-reaching and open-minded the efforts were by which my client endeavored to bring about an understanding and economic cooperation between Germany and the other nations. However, these efforts, which were made with an eye to the future, and in which the rest of the Vorstand members were participating, were necessarily based on

the assumption that peace could be maintained. But when this unfortunate war broke out, it was precisely my client—as the witness Dr. Kurt Krueger testified, and as further witnesses will prove—who did not want to believe in its outbreak. Dr. Ilgner's economic planning and work was based upon peace; any war was bound to destroy his life work.

Once this war had become a fact, however, and connections with the countries overseas were disrupted, my client turned to the intensification of economic relations that existed with the southeast European countries, thus reviving an old idea dating back to the year 1932. We have heard here of the soy bean scheme in Rumania and Bulgaria, and the Danube reed scheme was mentioned as well. The very attitude that my client took toward the southeast European countries, during the war, too, is characteristic of his attitude toward Germany's economic relations with the rest of the world.

Concerning this, I shall present to the Tribunal, in addition to other evidence, the report on an investigation made by an English institute, which made Germany's economic policies in southeast Europe the subject of a critical analysis, and in so doing came to an appreciative judgment.

The prosecution finally believes that it can charge Dr. Ilgner with having made propaganda abroad for the National Socialist State, and refers in this connection to the so-called "Wirtschaftsfuehrer Kreis," of which my client was a member, and which was conspicuous by its short duration.

Permit me to first submit that there is no law which might serve the Court as a basis for its findings, according to which any support abroad of one's country and government, even propagandist activity, is regarded as a punishable act. The prosecution would have to produce evidence—not merely make an assertion—that this alleged propaganda had aimed at unleashing a war.

However, the prosecution has not even tried to prove this causality.

For the rest, any propaganda activity on the part of my client, such as the prosecution alleges, is out of the question. We know that in 1933, a vigorous campaign was carried on abroad, and in particular, in the United States, against German export goods and IG products. We are somewhat surprised to note that the prosecution thinks it can base a charge on the fact that this boycott propaganda was countered by the firms involved. The American propaganda expert, Ivy Lee, was commissioned by the IG and asked for advice on how this serious obstruction of business could be countered. I shall prove that this activity of the

late Mr. Ivy Lee in the U.S.A. is unobjectionable, and did not in the least have the tendency and the scope the prosecution want us to believe.

Like many millions of men at home and also abroad, Dr. Ilgner thought that when national socialism came to power, the excesses and blunders of the Third Reich would be exposed as such as time went on. He cherished the hope that the economic relations with foreign countries could be maintained and continued in the old form, and thought at first that he could counsel indulgence. In subsequent years, however, he realized the true nature of the unfolding Nazi dictatorship, and assisted political and racial persecutees in deliberate opposition to national socialism. This attitude of my client at home and abroad has nothing whatever to do with the planning or preparation of a war of aggression.

In indicating to Your Honors the broad outlines of the most essential subjects of my argumentation in regard to count one of the indictment, I am well aware that the prosecution likewise will attempt to support its assertions by reasoning that it was just camouflage when the IG, at considerable expense, endeavored to maintain close connection with the world markets in order to step up its exports. It will explain to you, Your Honors, that it is in the very nature of espionage to give everything the outward appearance of harmlessness and lawfulness, whereas, in truth, all organizations and intentions of my client were directed at espionage and, therefore, at waging and planning a war of aggression. Against that I wish to state here and now that I am not going to produce any arguments of the type called *probatio diabolica.* It was entirely up to the prosecution to prove its statements; it failed to do so.

I now proceed to count two, comprising the alleged cases of plunder and spoliation. In part II of the trial brief, under B, the prosecution enumerates the cases of spoliation which allegedly occurred in Austria, Czechoslovakia, Norway, and France, giving this section of its representation the more guarded heading "Spoliation cases apparently legal in form."

I need not expatiate on this point. Insofar as my client is involved at all, I shall prove, just as will my colleagues of the defense, that these transactions are not only "apparently legal," as the prosecution puts it, but actually unobjectionable. For instance, the negotiations with the Skoda-Wetzler plants in Austria were carried on for several years. Their start goes back to a time long before Austria's Anschluss to the Reich. Any pressure or coercion on the part of the defendants is out of the question.

In my argumentation, I shall submit counterevidence for each

case under discussion. This count of the indictment raises legal issues derived both from international law and Control Council Law No. 10, the application of which eliminates a guilt of the defendants also for legal reasons. It will be the object of the final plea to discuss this.

Finally, the prosecution believes it can establish the guilt of the entire Vorstand of the IG under count three, which the prosecution chooses to entitle "Enslavement and mass murder." My client was a member of the Vorstand. He had nothing whatever to do with foreign workers or with inmates of concentration camps within the scope of his work. No responsibility can be placed on Dr. Max Ilgner under this count. The prosecution endeavors to build up a personal guilt with far-fetched arguments. But neither the actual facts nor the tenets concerning the forms of participation in a crime, as understood by the criminal codes of all civilized nations, and as they must be interpreted also on the basis of the Control Council Law No. 10, offer a possibility to place any responsibility upon my client.

If, in conclusion, I mention the fact that there was never a question of a common plan or conspiracy of the defendants, in which Dr. Ilgner is said to have taken part (cf. count five of indictment), it is done for the sake of completeness. Here, too, the prosecution has failed to furnish proof for its very generally worded assertions. In my argumentation, I shall come back also to this point as far as necessary.

I hope to be able to demonstrate to the Court in my argumentation that Dr. Max Ilgner is not guilty within the meaning of the indictment.

S. Opening Statement for Defendant Lautenschlaeger*

DR. PRIBILLA (counsel for defendant Lautenschlaeger): Mr. President, Your Honors: When there is an outbreak of cholera in Egypt, even the layman can read in all the papers that cholera vaccines are being sent to Egypt by plane from Hoechst. The names of the "Hoechst Farbwerke" and the "Behringwerke" are referred to with respect by medical men throughout the world because they know that, for decades, men have been at work there producing innumerable efficacious medicines for the benefit of sick and suffering humanity. The chief manager of these plants, Professor Lautenschlaeger, is sitting on the defendants' bench. In

* Tr. pages 4877–4883, 19 December 1947.

contrast to the one-sided description of the prosecution, the defense proposes, first of all, to show the spirit in which Professor Lautenschlaeger lived, worked, and taught there. It will show that the demands he made on himself and his assistants were so exacting, particularly with regard to professional ethics, that the unrelated sections of his total activity which have been laid before the Court appear in a different light. You will find that, far from being conducive to clarity, which is so necessary here, the indictment of this man has created confusion among men of good will.

It will, therefore, be the first object of the defense to clarify and elucidate the concepts introduced into the proceedings and to shed light on the alleged participation.

As for the prosecution's attacks on Professor Lautenschlaeger's honor as a medical man, we shall first have to define the term "clinical test." Clinical tests are carried out in accordance with medical principles established over a number of decades. The medical man performing the test receives from the manufacturer exact data on all essential qualities of the new remedy, its application, dosage, and potential secondary effects, as well as information on the results of experiments on animals, and on its effect and tolerance as determined by self-experiment. The research laboratory is responsible for all that data. The testing physician is responsible for the further application of the drugs, the selection of patients, the modification of the dosage suggested, etc. We cannot detect anything wrong or any inhuman act in any systematic test of this nature. If the prosecution chooses to single out a few of the approximately 50 remedies developed and released between 1940 and 1945 for testing purposes by the Hoechst laboratories, the defense will show that, in the case of these remedies, as well as of others, Professor Lautenschlaeger only proceeded in accordance with the highest ethical and medical principles. In addition, it will be explained that these remedies were placed at the disposal of Mrugowsky's office, not because concentration-camp inmates were available there, but because there was a danger of epidemics breaking out among the units under the jurisdiction of Mrugowsky's office; a danger calling for the use of these very drugs.

Inasmuch as the prosecution seeks to depict the tests carried out by the Behringwerke and the Hoechst Werke as a connected sequence, we must make it clear that they were, in fact, separate fields of work. Lautenschlaeger, who was in charge of the Marburg Behringwerke, merely issued general directives from his office at Hoechst. The leading officials of the Behringwerke were recognized scientists, working independently; their very

character was a guarantee that they would not deviate from the principles of medical ethics. This independence of the Behringwerke explains why Professor Lautenschlaeger was not informed as to the details of the clinical tests, as, in keeping with Lautenschlaeger's directives, the Behringwerke passed on the vaccines to be clinically tested independently from him. These preparations for testing purposes were not newly discovered products, but well-known and previously tested vaccines. There is not a single point in the evidence adduced by the prosecution against the Behringwerke which shows that these plants, in the process of supplying and testing the preparations, gained any knowledge of the improper application of these vaccines by criminal doctors. The defense, in presenting its evidence, will confirm this statement through the testimony of witnesses and documents.

In the Hoechst plant, which was immediately subordinate to Lautenschlaeger, preparations for testing purposes were issued by one of his subordinates. The careful selection of that subordinate as well as his high professional qualifications were the special concern of Professor Lautenschlaeger. The defense will establish that, in the instances put forward by the prosecution, the preparations for testing purposes were issued in exactly the same manner as in all routine cases. The day came when, as a result of Dr. Ding's visit, Professor Lautenschlaeger became aware of the doubtful medical qualifications of this SS doctor, as well as of his questionable character, though he did not realize that the man was a criminal. It will be proved that from that very moment, Professor Lautenschlaeger issued the clear instruction that Ding no longer was to be employed as a clinical tester, and that he was to be excluded from this work. It will be shown that this order was complied with.

In presenting its evidence, the defense will also shed light on another point on which, so far, there seems to be some confusion. The inclusion of Mrugowsky and his office in the circle of the doctors enlisted for the clinical testing of preparations can in no way be construed as meaning that Dr. Ding was also included. Mrugowsky was the chief hygienist of a branch of the Wehrmacht and of other formations specially detailed to the eastern epidemic areas. There was, therefore, no reason for not supplying Mrugowsky's office with preparations, quite apart from the fact that, as things stood in Germany, this would have been impossible. Therefore, subsequent correspondence with Mrugowsky cannot be adduced as proof (as the prosecution does) of a continued collaboration with Dr. Ding.

As for Professor Lautenschlaeger's work as chief of the Betriebsgemeinschaft Maingau [Works Combine Main River Val-

ley], this was confined to issuing appropriate directives for coordinating the general policy of these plants in questions of production and personal management.

To sum up, the position of chief of the Works Combine was such that he could not issue orders or instructions to the constituent plants, but that, by virtue of his position as chief of the large Hoechst plant, he exerted some influence on them. Besides, every plant had its own Betriebsfuehrer (plant leader) who had considerable independence. He always decided, independently and on his own responsibility, all questions bearing on the treatment of employees. It was incumbent upon Lautenschlaeger, as chief of the Main [River] Valley Works Combine, to see to it that the individual plants kept within the framework of his directives, unless orders to the contrary had been issued by the authorities.

The employees of the Hoechst plant were his special concern. To help him in this field, Lautenschlaeger had a personal department, the function of which was to deal with the housing, feeding, and wages of all employees, including foreign workers and prisoners of war.

Concerning the principle of employing foreign workers, this question had previously been decided by the government. Lautenschlaeger had no influence in this matter. Under the conditions prevailing in Germany, he employed foreign workers in the plants of which he was in charge in exactly the same way as was done in every other German plant. In presenting its evidence, the defense will confine itself to showing that, especially in the case of plants under Lautenschlaeger, the social welfare, food, housing, medical care, employment, and treatment of foreign workers had been most carefully laid down by the plant management in the workers' best interests, and accordingly carried out by the plant management's representatives. In this connection, may I be allowed to emphasize the unique fact that the chief of this world-renowned chemical plant frequently used to spend his nights as a kind physician, personally administering expert medical aid to his foreign workers, and seeing that everyone was well looked after in the hospital.

This man was, of course, no Nazi. His whole outlook was centered so exclusively upon healing and helping, that—as will be substantiated by numerous testimonies—he was incapable of ever making any discrimination on grounds of race, religion, or nationality. He owed his position exclusively to his professional qualifications as a scientist. The rulers of the Third Reich were always suspicious of such a man. His joining the Nazi Party, or his appointment as Military Economy Leader [Wehrwirt-

schaftsfuehrer] (facts adduced by the prosecution), do not make the slightest difference in this connection. Everything Lautenschlaeger did for his foreign workers and everything he did to maintain the peacetime level of the production of medicines, he had to do in opposition to the Nazi Party, which watched him with suspicious eyes.

The defense, in presenting its case in chief, will show that there is no evidence in support of, but everything against, the thesis that this man was a party to the planning and preparation of a criminal war. The drafting of air-raid protection plans, the completion of production plans in the event of mobilization, as well as the subsequent delivery of preliminary products which, with further processing, might be utilized for war purposes, is within the framework of national defense measures which all countries of the world take in the ordinary course. This did not in any way change the nature of the Hoechst plant as an enterprise predominantly manufacturing medicines and other peacetime products.

The defense will begin its case in chief with the examination of Professor Lautenschlaeger, who will testify on his own behalf.[1] The defense will also submit numerous documents and call a few essential witnesses.

T. Opening Statement for Defendant Mann[2]

DR. BERNDT (counsel for defendant Mann): Your Honor, may I ask whether the Tribunal will agree to hear me now? It is seven to twelve now, and I shall take up approximately twenty-five minutes.

THE PRESIDENT: Very well, we will hear you now, Doctor.

DR. BERNDT: May it please the Court: Anyone coming to Leverkusen will perceive next to the main IG administration building another building that strikes you by its plain, clear, and utilitarian structural features. It stands there, bare of any adornment, with the world-renowned Bayer cross on its middle section. It is connected by a bridge with the main administration building. This building is the seat of the Bayer Sales Combine. In past years, the father of the defendant Mann was manager of the Bayer Sales Combine; in 1931, my client succeeded his father in this position. Just like the building, the sales combine was

[1] Later the defendant Lautenschlaeger elected not to testify. Two other defendants, Schmitz and von Schnitzler, also elected not to testify.

[2] Tr. pp. 4883–4891, 19 December 1947.

plain, clear, and utilitarian. From here, the Bayer products were shipped all over Germany, all over Europe, and all over the world, including the United States. Sales increased from year to year, and the successful work of many IG chemists vouched for the quality of the remedies which served to allay the suffering of innumerable human beings, to cure diseases, and to save a great many human beings from illness and pain. That was the task of my client, Mann.

As I said, the Bayer building stands by itself, connected with the main building of the IG administration by a bridge. Such was also the position of the [Bayer] Sales Combine within the huge Konzern. It was independent, but linked with the IG. This I shall present in detail because, without that, the defendant Mann's position and his actions and work cannot be understood and evaluated correctly.

Now, this defendant is charged, first, with having taken part, alone or together with his fellow-members of the Vorstand or with other persons, in the preparation, planning, and waging of aggressive war. This charge is brought against the very defendant whose life work had been devoted to the struggle against death and to the alleviation of human suffering. This very defendant is said to be guilty of participation in the unleashing of a war, and of sharing responsibility for the killing of millions of human beings. This charge is brought against the very man whose motto was to heal wounds, not to cause wounds. This, and nothing else, was the ambition of his life; and in the course of my presentation of evidence, you will come to realize that during the 25 years of his work for Bayer, my client remained faithful to this motto and did not have anything in common with any of the crimes that are the subject of this indictment.

The legal doubts with regard to counts one and five of the indictment are laid down in the motion presented on 17 December. I can therefore dispense with going into that matter. On the grounds set forth in that motion, the defendant is to be acquitted of counts one and five.

In spite of this, I am compelled to go briefly into some specific charges brought against Mann under count one.

On what grounds does the prosecution try to show proof of the defendant's guilt?

He is alleged, first of all, to have supported the Party and its organizations with substantial donations. I am going to prove that the donations to the NSDAP and its organizations coming from the Sales Combine Pharmaceuticals and from the defendant Mann have been very small indeed, taking the average of the entire period from 1933 to 1945, or comparing them with the

enormous sums spent by the Sales Combine Bayer in aid of charitable and social institutions. It will become evident that these so-called political donations cannot be regarded by any means as a support of the Party or of the Nazi regime, and that in no case whatsoever have payments been made in support of seditious propaganda or agitation abroad.

In General Taylor's words, the defendant is supposed to have participated in "unleashing a violent and malicious propaganda campaign which would have done credit even to Goebbels." What is the truth of this matter?

It is only natural that the IG had an excellent economic intelligence service, and it is equally natural that it carried on extensive economic propaganda. Particularly was Bayer, whose pharmaceuticals were bought all over the world, very active in the field of commercial propaganda. From 1934 onward, and even more so since 1937, export sales were greatly handicapped on account of boycott measures against German goods. Bayer, therefore, was forced to further increase the advertising of its products and, pointing to certain scientific achievements, emphasized the German character of those products. This was in no way homage to a Nazi regime or a political system, but merely a matter of advertising I.G. Farben products, which happened to be of German origin.

Viewed in this light, the evidence offered by the defense must be regarded from an angle differing from that of the prosecution. Moreover, I propose to prove through documents and witness' examinations that in no way has any Nazi propaganda been made in foreign countries. It is interesting to note in this respect that the prosecution establishes as a very serious incrimination the fact that a Bayer agency supplied the Brazilian radio, on the latter's express wish, with some material for anti-Communist propaganda. After the result of the London Conference, it will suffice to underline this without adding another word.

The prosecution's assertion that the Bayer organization had made political propaganda abroad by granting special contributions, or by sending out Nazi propaganda material, is not correct. I propose to prove that although the Ministry of Propaganda and the propaganda departments of the Gauleitung demanded this of Bayer, the defendant Mann and his associates managed to reject by far the greater part of these demands.

The prosecution's assertion in the opening statement that Bayer had "carefully adapted their sales and advertising program to National Socialistic ideas" has not been proved by the evidence produced by the prosecution. On the contrary, I shall prove that the instructions from the Ministry of Propaganda were not

heeded at all and that the very position my client held as a member of the National Advertising Council of the German Economy gave him the opportunity to oppose these demands rigorously and effectively.

I shall absolutely refute the accusation with regard to the dismissal of Jewish employees in connection with the NS organization of Germans abroad. I am going to prove that all—nearly 50—of the Jewish employees of the Sales Combine Bayer who had to be dismissed upon special official instructions, received without exception, compensation far in excess of all legal regulations; in several instances, up to three years' salary. Nobody has ever been ruthlessly kicked out into the street by my client or his coworkers, and nobody has ever been denied aid. None of Bayer's "non-Aryan" employees has been ill-treated and none of them has perished.

Furthermore, it is being asserted that the Bayer agencies were involved in espionage. Not in a single instance has it been proved that Bayer participated in any kind of espionage. The accusation raised against some Bayer employees in South America I can also refute without difficulty. I shall prove emphatically that Bayer never engaged in, or tolerated, espionage in any way.

Furthermore, my client is charged with having boosted exports as a contribution towards the economic strengthening of Germany after 1933, thereby having deliberately created a fund of foreign exchange for armament purposes. As can easily be proved, my client never drafted, or participated in, an export scheme for the government. Stress must be laid on the fact that the foreign turnover of the IG rose to 428 millions in 1939 from 406 millions in 1933; i.e., increased by only 5 percent. The idea of contributing towards a war of aggression secretly prepared by the men in power, by means of exports and by getting up a fund of foreign exchange, could not and did not occur to him any more than to any other German industrialist. The quoted export figures prove clearly that, rather than with a boosting of exports, they were concerned with the defense of commercial footholds gained abroad in long years of hard efforts. It is true that later on, in 1940—that is, after the outbreak of war—my client backed a special Bayer export scheme. This scheme, however, as I shall prove, was aimed solely at achieving a conservation, during the war, of the Bayer business with its far-flung ramifications in many parts of the world.

With mobilization plans, such as the prosecution regards as preparatory to the war of aggression, the Bayer Sales Combine had nothing to do. It merely had to draw up preparatory sur-

veys intended to show the commercial staff requirements in case of war.

The prosecution furthermore raised the charge that the Bayer Sales Combine withheld from the U.S. certain preparations, such as atabrine and sulfanilamide, in order to weaken, deliberately, its war potential. The prosecution, however, did not produce any evidence to substantiate this allegation, nor is it likely that it could do so. I shall prove, however, that I.G. Farben strictly and scrupulously fulfilled its contractual obligations towards the U.S. partner also in regard to sulfanilamide and atabrine. While credit is due to Professor Hoerlein for having enabled the U.S. partner, by timely transmission of the processes and the most essential elements, to take all steps for the production of atabrine independent of I.G. Farben, my client, in addition, successfully endeavored to ensure completion of this in behalf of the American partner as late as 1½ years after the outbreak of the war in Europe. In so doing, he had to use considerable circumspection in dealing with the German authorities. The fact is that the thorough knowledge of the production process of atabrine enabled the U.S. to develop production of atabrine on a gigantic scale and thus to fight malaria in the Far East. According to American publications, this successful fight against malaria is to be regarded as a most valuable contribution towards America's victory over Japan.

No more comments need be made on count one.

Under count two, my client is charged with being a party to spoliation in Russia and France.

As regards Russia, he is said to have participated in the preparations for the looting of Russia as chairman of the Russia Committee and the East Committee, respectively. There never existed such a thing as a Russia Committee. The witness Franck-Fahle and the witness Krueger said this quite clearly. The tasks and the activities of the East Committee were completely misinterpreted by the prosecution, as I shall prove. At first, this East Committee was nothing more than a certain center for information which was collected there in connection with the economic situation in Russia. The document of Herr de Haas, sent to the entire Vorstand at the order of my client (and to which the prosecution mainly refers in support of its charge), was a situation report of that type, based in the main on information by the authorities; in particular, the Reich Ministry for the Occupied Eastern Territory. The East Committee did not take part in the setting up of any eastern companies. It only advocated the foundation of the "Riga-Kontor" sales agency which sold German products in the eastern territories, particularly in

the Baltic countries. This company did not remove any merchandise, machines, or other articles from the eastern areas. Nothing whatever has been taken from Russia through Mann's activities. On the contrary, it was owing to him that Russia received badly needed pharmaceutical supplies and other I.G. Farben products. All that I shall substantiate by producing documents and witnesses.

Furthermore, it is alleged that my client participated in the looting of France; to be accurate, in the case of Rhône-Poulenc. For this transaction, Mann assumes responsibility. I shall prove that from the agreements made by my client with Rhône-Poulenc, considerable advantages accrued to the latter. In my argumentation, I shall prove that the negotiations which were conducted resulted in arrangements for a term of 50 years based on strict reciprocity. On the part of the IG, concessions of the utmost importance were made to the French partner, such as were made only in one case in the previous history of the Bayer corporation —that is, in the case of Winthrop in the U.S. Instead of gaining control of the French pharmaceutical industry, as the prosecution alleges, the IG, through the negotiations conducted by my client, placed the pharmaceutical business in France, previously transacted by Farben, under the control of a French-operated company through the Theraplix agreement. The I.G. Farben waived its right, in favor of the firm of Rhône-Poulenc, to continue its business in France, which it had operated successfully for decades; and this at a time when such a concession could be effected only with the utmost difficulty under the existing Nazi rule. I shall prove that through this contract with Rhône-Poulenc, the sovereignty of this French firm was in no way limited.

It will be my task to present to the Court the actual events; and to point out and prove that the results of these agreements were exceptionally favorable to the French partner. Then Your Honors will realize that the intentions of my client, as far as these and other business transactions are concerned, were not as one might gather from the indictment, and particularly from the speech of the prosecutor while introducing his exhibits. The writ of the French court, introduced by the prosecution, concerning the nullification of the contracts signed with Rhône-Poulenc, is not to be taken as a precedent. We do not know the legal provisions and the particular circumstances according to which the French decision was made. None of the defendants was present at the French trial, none of them was given a legal hearing or could produce counterevidence.

The fundamental change in the over-all situation may now be

a reason to view the contracts under discussion here from a different angle. This, however, cannot be the opinion of those men who took the responsibility for agreements, despite the reserve which they should have shown in face of their country's situation at that time; agreements which proved of great advantage to their undertaking and also to the French economy. It was not the attitude of political collaborators. Not "collaboration," but "cooperation" was the rule for achieving an understanding on an objective, rational basis, which was the economic political background for these arrangements. My client claims to have carried out in a fair and correct manner what was expected of him, just as he, on his part, was always convinced of the political integrity of his French partners.

As head of a sales combine, my client had nothing to do with matters of production. He, therefore, never came into contact with the special problems arising in this field nor with those problems which arise in wartime; for instance, the procurement of labor.

The most monstrous accusation against my client is that he is supposed to have participated in mass murder committed on the greatest scale ever know in the history of mankind. As chairman of the Verwaltungsrat of DEGESCH, he is supposed to have known of the extermination of millions of people with Zyclon B, and to have done nothing to prevent it. This accusation, directed also against some of the other defendants, has been made at the end of the entire hearing of evidence. This accusation, and the manner in which it was presented, gives me the impression as if, after the fireworks, an additional rocket has been set off; it lights up quickly, fades after a short time—but nothing remains. The accusation will collapse in the same manner when I produce my evidence. This accusation, made against my client in this courtroom, has been made before the whole world in this courtroom. I must insist, therefore, that I may prove before the public that this accusation has no foundation; I repeat, no foundation whatsoever. I have to submit, therefore, that my witnesses in this case be heard in this courtroom and not by a commissioner. I believe this to be only fair and just.

I shall disprove this last and severest accusation made against my client, as well as the others—I am convinced of that. As General Taylor mentioned in his opening statement, no act of revenge must be committed here, but the actions of the defendants must be judged according to laws and commandments. According to laws, the defendant Mann has not done anything criminal; according to commandments, he has done no wrong.

U. Opening Statement for Defendant Oster*

DR. HELMUTH HENZE (counsel for defendant Oster): Your Honors: As counsel for the defendant, Dr. Heinrich Oster, it will be my task to occupy myself also with his personal activities during the last decade and a half, as the charges are also directed against him as an individual. They are also extended against him as a member of the Vorstand of the IG, and seek to place upon him responsibility for the entire business activities of the IG. I have to deal with this, as well as with the further charge that, together with the other defendants, he entered into a common plan to commit crimes against peace as set forth in the indictment. I will not, at this stage, go into the question of whether the concept of conspiracy permits of so broad an interpretation as the prosecution desires. I confine myself today to the statements made by the defense in the morning session of 29 October last.

After a study of the extensive indictment and of the mass of evidence comprising nearly 1,400 documents, I have gained the impression that the prosecution deliberately does not wish to have the scope of responsibility of the individual defendants clarified, in order that it should not be shown how small their part in the activity of the IG really was. I will therefore endeavor to bring some light and clarity into this desired darkness, since, according to recognized principles of criminal law, as expressed also by the IMT, the individual defendant can only be made responsible for acts actually committed by himself, or in which he consciously took part. This was upheld by the Military Tribunal II in the proceedings against Pohl, and others. In its judgment it unequivocally adopted this standpoint.

In order to keep within the bounds of my aim, I will, during the submission of my evidence, only refer to the prosecution documents insofar as to any sensible extent they affect my client.

If I may now turn to count one of the indictment and deal with what my client has done, or is supposed to have done in this connection, I find, on looking through the documentary material, very few documents which show any independent acts of my client himself or of his subordinates. These few business incidents are, in comparison with the extent of the prosecution material, so insignificant that one is obliged to come to the conclusion that in no way did they cause the events of the last 15 years, as set forth by the prosecution, viz, the planning, preparation, and waging of aggressive war. Otherwise, it would so

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* Tr. pp. 4892–4899, 19 December 1947.

extend the concept of causality as to contradict every recognized theory of causality. So far as occurrences are concerned which can be brought into any connection with the war at all, they do not necessarily imply a connection with a war of aggression. In the few cases in which they can be brought into connection with a war, the decisive question is whether my client worked on these business tasks for reasons which were connected with the war, or with other circumstances concerned in the charge. This is a question which brings in the personal attitude of my client, to which I shall later revert.

With reference to the responsibility of my client, as a member of the Vorstand of Farben, for the activity of this firm, I should like to preface my remarks with some actual facts.

From 1930 onwards, my client was, in his principal capacity, a manager of the nitrogen syndicate, Stickstoff-Syndikat G.m.b.H., an independent firm, to whom all the nitrogen producers in Germany had entrusted the sale of the nitrogen produced by them. The Syndikat was a company outside of Farben; Dr. Oster was one of the managers of this undertaking and was responsible for the sale of the nitrogenous fertilizer. The sale of the technical nitrogen was not handled by him, but by another of the managers, who was on the same level as himself. This makes it clear that his field of work had nothing to do even with rearmament, which the IMT did not declare criminal as such.

On the contrary, it would have been in opposition to technical nitrogen, because, in the nature of things, he would be much more interested in diverting as much nitrogen as possible to agriculture, since this was his business.

My client was, for 90 percent of his time, occupied with his business in the Stickstoff-Syndikat, in which he was, besides, also the plant manager. The Stickstoff-Syndikat employed about 1,000 persons and had a turnover of 540 million reichsmarks. In contrast with this, I wish to state that, for the execution of his duties in the IG, my client (as a member of the Vorstand) had at his disposal the BADAMMON Department belonging to Farben, with a staff of only 6 persons.

The circumstance that Dr. Oster (delegated by Farben as manager of the Syndikat) also belonged to the Vorstand of Farben was due to the fact that, in the years preceding 1930, the nitrogen business was of much greater importance for Farben than in the past decade, which is also illustrated by the prosecution. The development of the nitrogen industry in Germany and the rest of the world, and the resultant development in price and profits have brought it about that nitrogen lost considerably in importance, compared with the tremendous new development in

the field of coal hydrogenation, acetylene chemistry, and many other fields of chemical industry. Whereas in 1928, the turnover in nitrogen still made up over a third of the total turnover of Farben, the picture 10 years later was already so changed that the nitrogen turnover comprised only about half of that, viz, about 15 percent of the Farben turnover.

I may add that while the nitrogen production of all the nitrogen producers in Germany increased by about 25 percent from 1929 to 1939, Farben's share showed a consistent downward trend. I mention this, in order to make it quite clear that my client's sphere of work was—from the point of view of Farben—a side activity of small significance, and that the preponderant part of his energies was transferred more and more to the Stickstoff-Syndikat. It is not my intention, nor the desire of my client, to minimize his importance and responsibility. I merely wish to make it clear that Dr. Oster worked essentially in a field that lay outside of the limits drawn by the indictment. This point is further illustrated by the fact that, when he retired in 1944, it was not intended to appoint his successor in the Syndikat to membership in the Vorstand of Farben. During the presentation of my evidence, I shall produce proofs of these facts which I have here only indicated.

As Dr. Oster's position was a commercial one, it was understandable that he became a member of the Commercial Committee. I will produce proof that the importance possessed by this Committee fell far short of that ascribed to it by the prosecution, and that my client's role in this Committee also was a minor one, since he did not have behind him the commercial organization of Farben which the other directors of the sales combines did possess; moreover, he had no authority to apply the suggestions and decisions taken there to the differently constituted organization of the Stickstoff-Syndikat. The Syndikat was not governed by any regulations initiated by Farben.

Having briefly outlined the facts which will make clear the position of my client, may I express the conclusions which I draw from them. It is evident, from the immense scope of Farben and the merely subsidiary sphere of activity of my client, that many things in the activity of Farben must have been unknown to him. I have mentioned this to support my assertion that in an Aktiengesellschaft of such an extent, it is impossible that the individual members of the Vorstand could be made responsible for the entire activity of the firm. Farben cannot, in this connection, be regarded on the same level as the average Aktiengesellschaft; it must be realized that Farben, even after its amalgamation with several other firms, remained

a decentralized firm, in which each of its members could survey only his own and related spheres. This applies particularly to Dr. Oster, who had no IG department, but only managed an independent firm which had IG participation. If every individual member of the Vorstand in such an undertaking is to be charged with the duty of checking the entire activity of the company, the Vorstand would consist of persons who know a little about many things, but nothing entirely.

The responsibility incumbent upon a member of the Vorstand is, moreover, one of corporation law, i. e., of civil law, and has nothing to do with responsibility under criminal law, which can only be a personal one. If the prosecution wishes to establish a corporate responsibility of all the members of the Vorstand, this would imply an attempt to characterize the Vorstand of the IG as a criminal organization within the meaning of the Charter. The prosecution has purposely refrained from doing this, because it would have called up a reference to the judgment of the IMT, which in such cases also required the individual proof of personal guilt. To go any further into this point would merely be a repetition of what has already been said by my colleagues. If the prosecution wished to establish the responsibility of all the members of the Vorstand, it would have had to prove the knowledge, by every individual, of all the business matters, which it has not done.

The facts described by me also show that under the circumstances there can be no question of a mutual scheme for the planning, preparation, and waging of wars of aggression. So far as I have been able to see up to the present, the prosecution has submitted no evidence whatever of the existence of any facts in respect to Dr. Oster which permit of the conclusion that there existed a common plan to commit the alleged crimes. The fact that several persons in a firm have worked in a leading position, and that this firm has developed a business activity which could to some extent be of importance in a war, does not prove that all those participating in its efforts purposely and in unanimous agreement aimed at a war, let alone a war of aggression.

In addition, it appears to me that the prosecution rather simplified matters for itself when branding all members of the I.G. Farben Vorstand as accomplices in a common plan or plot. Usually, the objects aimed at by the Vorstand of a commercial enterprise are different from those of participants in a common plan to prepare a war of aggression. It seems unbelievable that all Vorstand members should be at the same time members of a conspiracy, the objectives of which are of a different nature than those of a commercial enterprise. I would ask you to take into

consideration the fact that appointment to the management of a company demands as a prerequisite a certain amount of knowledge, certain achievements and experiences, and that the selection was made from these points of view. The assumption that all these people simultaneously combined to carry out a plan of a different nature is so unnatural that it would have required direct proof, and this was not offered.

I beg to point out that it was possible to keep IG's Vorstand free from any representatives of the Third Reich. Why was that the case, if it is true that all Vorstand members were agreed on working for a war of aggression? In that case, it would have been sensible to have a representative of the Nazi system act as Verbindungsmann among their own ranks.

If I may now be permitted to say something about my client's personal responsibility for his own field of activity, it is the following: I shall prove to the Court that in the business policy for which he was responsible, my client was guided by his desire for understanding. He acted accordingly in his dealings with the partners of the Stickstoff-Syndikat. This spirit also prevailed in negotiations with the foreign partners with whom agreement existed, particularly in the field of nitrogen, for 10 years before the beginning of the war. Even after the war broke out, Dr. Oster was guided by these points of view, and especially after the occupation of various countries by the German Armies, he immediately established contact with the partners there in order to resume relations as they were before the war. It was his desire to cooperate in the field of nitrogen on a plan which was to facilitate reconstruction after the end of the war wherever the ties of understanding had been cut in 1939. This attitude will be shown by the evidence I am going to present. It proves that my client's attitude stood in direct opposition to the facts alleged by the prosecution, and that he had no knowledge of activities aiming at a war of aggression.

The prosecution did not offer any direct evidence of my client's guilt. Apart from the facts just mentioned, I may refer in this connection to the verdict of the IMT which acquitted several persons charged with planning, preparing, and conducting a war of aggression, who were members of the Government of the German Reich, and thus of the very agency responsible for the formation of the political policy of the Reich, and were, therefore, in considerably closer contact with the Government of the Reich than my client, Dr. Oster. Thus it cannot be assumed that Dr. Oster had any more or better knowledge than these persons.

With respect to count two of the indictment, the prosecution

mentions my client in the documents produced only in connection with the Stickstoff Ost G.m.b.H., which was formed after the beginning of the war against Russia. I shall be able to furnish evidence that this company, which was established at the suggestion of the Reich, did not take any measures that even remotely could be considered as robbery or spoliation.

Furthermore, the indictment says that in 1940, my client became a member of the Styre (management) of the Norsk Hydro A/S at Oslo, the largest enterprise in the field of chemicals in Norway. The prosecution associates this appointment with the formation of the Norwegian firm Nordisk Lettmetall A/S., an establishment in the field of light metals, which was formed simultaneously with the Norsk Hydro, and sees in this fact a participation in robbery and spoliation. To what extent there was any question of robbery and spoliation will be discussed by my colleagues, who will supply counterevidence. I am merely asserting, and shall supply proof of this, that the appointment of my client as a member of the Styre (management) of this company, with which he had been working in a friendly spirit for years, was not prompted by those alleged reasons.

As regards count three of the indictment, I beg to observe that Dr. Oster, as a businessman and manager of a commercial enterprise, had nothing whatsoever to do with questions of labor allocation. There were no factories under him. It was no business of Dr. Oster's to deal with the procurement of manpower required for the fulfilment of the production orders imposed by the Government of the Reich, and he was just as little concerned with the foreign labor program. Since this was in the hands of, and controlled by, the state, he was doubly removed from it. Therefore, I need not produce evidence supported by actual events.

Count four of the indictment does not apply to Dr. Oster; count five has already been discussed by me, so that I may conclude my statements.

V. Opening Statement for Defendant Wurster*

DR. WAGNER (counsel for defendant Wurster): America has little knowledge of the continent of Europe in general and of Germany in particular; Germany and the continent of Europe, on the other hand, know little about America. There are only

* Tr. pp. 4899–4910, 19 December 1947. The final statement of Defendant Wurster to the Tribunal appears in subsection XII 11, vol. VIII, this series.

a few people who know that the sessions of the Senate of the United States of America are invariably opened with a short prayer (one minute prayer), spoken by a clergyman. This prayer is published in the "Congressional Record" together with the minutes of the Senate meeting. One of these prayers by the Rev. Dr. Peter Marshall reads as follows:

> "Shed the light of Thy Holy Spirit within our minds and hearts, that all who sincerely seek the truth may find it, and finding it may follow it, whatever the cost, knowing that it is the truth that makes men free. Where we are wrong, make us willing to change, and where we are right, make us easy to live with."

Under the Hitler regime, at the time when darkest night had spread over Germany, when propaganda had usurped the place of truth, my client, Dr. Carl Wurster, too, preached the gospel of truth to new trainees—when they joined the Badische Anilin- und Sodafabrik at Ludwigshafen/Rhein. He described truth as the basic prerequisite for the future activity of these young people, and pointed out that everything in nature and also in the science of chemistry was subject to the laws of truth, and that the laws of nature would not be denied or perverted with impunity. All those who sincerely seek this truth may find it, if they are filled with the spirit of which the prayer speaks. This truth, which it is our duty in this trial to find, must, however, be accompanied by justice. Truth makes men free; justice is the foundation stone on which is built the communal life of an orderly human society. As defense counsel, I shall, therefore, fight with the sword of truth to win for my client, Dr. Wurster, the liberty which he expects from your sense of justice.

Dr. Wurster is accused, together with the other defendants, of being a war criminal. That is the simplest formula in which the indictment can be expressed. But the prosecution never asked Dr. Wurster what he has to say to those accusations, in spite of the fact that it had time and opportunity enough for such questioning. He never had an opportunity of defending himself against those who made these serious and positively defamatory attacks against him. He was taken from the hospital at Ludwigshafen, the town where the Badische Anilin- und Sodafabrik is situated, and first put into a prison hospital at Nuernberg, and then into prison. But nobody knew what this man had to say to these aspersions. The only statement he has made in this trial, so far, was not addressed to the prosecution, but to this Court, and was somewhat formal in nature. It consisted of two little words. When he was asked, whether he pleaded guilty or not

guilty, he said "not guilty." To Dr. Wurster, however, these two words "not guilty" mean more than a mere legal formula; they mean genuine assertion of his complete innocence. They are the words of a man who, as I hope I shall prove, deserves credence. He is convinced, and so am I, that no blame can be attached to him in this trial, either from the legal or the moral point of view.

The prosecution is inclined to take the easy way out. In the indictment, as well as when submitting evidence, the statement occurs time and again, that "all defendants" had done such and such a thing. But the prosecution does not take the trouble of examining or proving the guilt of any individual defendant. There is no appreciation of the character of the person concerned or of his ability to commit the crimes with which he is charged here. The examination of the individual, which must form the basis of jurisdiction in law more than anywhere else, is sacrificed to a mechanical collectivist juggernaut which makes its violent and destructive path across everything and everybody. There is not a trace left of the theory of the value of the individual, and of his right to be assessed and treated as such.

Judging from the attitude of the prosecution in this trial, that great country which represents the last hope of all men standing for the freedom of the individual in the world seems to have been induced to throw all these principles overboard. If this were true, the only thing left would be despair, but fortunately there remains good hope for all who know from long personal experience in the United States that American judges, with their proud and great tradition, always and everywhere safeguard these principles of freedom of the individual.

Anyone who examines the charge brought against Dr. Wurster as a whole, or individual points thereof, in the light of his character, is bound to realize that the charges against him are baseless.

The prosecution is not at all bothered by the fact that in 1932 (when, as the prosecution alleges, an alliance between IG and Hitler was concluded which constituted the origin of the alleged conspiracy), Dr. Wurster was one chemist among hundreds in the Ludwigshafen plant who had not the slightest idea of the business transacted in the higher spheres of the IG, and was not in a position to have any knowledge at all of these matters. It is true that as a young chemist, 31 years of age, he had already made a strong impression in 1932 by dint of his inventions, a considerable number of patents both at home and abroad, and the new processes he had developed. But he had just as little influence on the I.G. Farben Konzern as any other chemist, a fact which nobody will be able to deny. The fact that

in 1938, at the age of 37, he was appointed a member of the IG Vorstand (five years after Hitler and the Nazis had usurped power in Germany), was due entirely to his exceptional achievements in the sphere of chemical science, to his untiring energy, and to the fact that the people responsible for his appointment realized that. He was appointed a Vorstand member of this great Konzern in spite of the fact that he had no personal, social, or family connections or the help of any outside influence. Dr. Wurster is a self-made man in the real sense of the phrase. He was forced to earn the money for his studies himself; he coached schoolboys and students, and studied at night. During vacations, he worked in a factory as a Werkstudent, in order to finance further study and to complete his studies. His was a hard life. A man who rose to the top the hard way and who is not ashamed of that fact, but proud of it; such a man develops special qualities. You, Your Honors, are perfectly familiar with such men and their qualities in the United States. When Dr. Wurster, who had only been a chemist up to that time, became plant manager of the large plants of the Badische Anilin- und Sodafabrik in Ludwigshafen and Oppau, when he was made a member of the Vorstand of Farben, he was faced with a gigantic task. He took pride in this plant with its, roughly, 25,000 employees, and he devoted to it all his not-inconsiderable energy. It was his aim to promote in his plant the science of chemistry and the production techniques of the chemical industry and, at the same time, to create a community embracing all the workers in the plant. He himself wanted to be nothing but the first worker in this community, who took upon himself the lion's share of the work and the longest working hours. His main interest was the human being for whose advancement and happiness all these plants, all these machines, and all these installations had been intended. It was his lofty aim to provide better, healthier, and more beautiful residences for all those who worked in the factory, to construct a modern hospital, and to develop further the social services of the factory, progressive though they were, and to take the boss-worker relationship out of the cold atmosphere prevailing between employer and employee into the warmer atmosphere of human relationships.

To make life better for his men: that he considered to be his task as plant manager of the Ludwigshafen plant. All that I shall prove. It is impossible that a man who holds opinions like Dr. Wurster's should see anything in war except a terrible disaster. War was bound to disrupt all his plans and to destroy all his constructive hopes. Thus, Dr. Wurster was opposed to the very idea of war. To him, who had put his life in service of recon-

struction and not of destruction, war in any shape or form was, as he used to say frequently, criminal lunacy. I shall show that that was really Dr. Wurster's attitude to war; an attitude born of his high moral character. Apart from that, Ludwigshafen, the site of the factory he directed, is close to the French frontier, so that his reason, too, told him that war must inevitably lead to the destruction of the factory which he was about to develop to the full. Thus, when war did break out in 1939, a short time after he had been appointed a member of the Vorstand of IG, nobody could have been more surprised or more dejected than Dr. Wurster. How can one accuse a man of such a character, of such a point of view, of having participated in the planning, preparation, and waging of aggressive war? In the eyes of any man who is prepared to face the truth, there will be nothing left of that accusation when I have finished presenting my evidence.

The prosecution must have had the feeling that something more was required in the way of evidence to make a planner and initiator of aggressive war of Dr. Wurster; it has put up in this courtroom a diagram on which a swastika has been put next to the name of Dr. Wurster, too. I shall show, Your Honors, that my client, when he had already risen to the top in the Ludwigshafen plant, categorically refused the invitation to join the Nazi Party, issued to him by the omnipotent Nazi Gauleiter; that he never joined the Party voluntarily, and that he was summarily declared to be a member at the end of 1938 by a Party order issued by the Nazi authorities. I will prove, Your Honors, that Dr. Wurster was a stranger to the preposterous and destructive theories of nazism. I shall prove that by means of the testimony of men who fought against nazism; and of others who became victims of the Nazis; and further, of men who made their inquiries on the spot as officers of the Occupying Forces. I am sure the connection between his name and the swastika will, in your eyes, have been severed when this evidence has been submitted. Dr. Wurster was a friend of peace and a hater of war. He has been in the past, and is today, a man who loves progress and liberty, and who has rejected nazism for that reason. He has been in the past, and still is, a professed Christian who, for religious reasons alone, was opposed to aggressive war and to nazism.

In connection with count two of the indictment, the prosecution has submitted, as evidence against Dr. Wurster, a draft, hurriedly dictated, of notes on his 5-day trip to Poland. They have attached such importance to that hurriedly dictated draft of notes, that it has been used in the opening statement for the prosecution. It has been used in a way which shows that they were delighted

to have found, at long last, a piece of concrete evidence against a man of integrity; a document which makes it appear as though he were a man whose character had been corrupted, after all, by the sinister influence of nazism. The intention was to attack him with an arrow with poisoned tip. Through our evidence, we propose to remove the poisoned tip from this arrow and thus render it impotent. We shall go even farther, and prove the opposite of the offense with which the prosecution, with the aid of these notes, intended to charge Dr. Wurster. We shall show that he felt sympathy towards those in misery whom he met during that trip and that, far from playing the anti-Semite (according to the construction arbitrarily put upon the notes by the prosecution), he defended, during that short trip to Poland as well as during his whole career, not in words only but also in deeds, all the Jews who were persecuted unjustly. The evidence which we shall present to vindicate the attitude of Dr. Wurster gives me the right to say that it would be very difficult to find, even in other countries, men who would have behaved as decently towards the persecuted Jews, or who would have intervened on their behalf as fearlessly, in similar circumstances, as he did. A man who thus rejects all theories of racial superiority, as I shall prove he did; a man who judges his fellow men on their merits, irrespective of race or political opinions; a man who honors and respects labor as he does, is incapable of committing what are called crimes against humanity. It is true that from 1938 onward, the plant for which Dr. Wurster was responsible as a plant manager also employed foreign workers of many nations and prisoners of war. There is no doubt in my mind that I shall succeed in convincing you through the evidence we shall submit that there was nothing at all which Dr. Wurster or anybody else (and there were quite a few people in the same position) could do about the employment of foreign workers. The totalitarian Nazi State, which, through its policy, had brought about the war, would have destroyed as a saboteur, or "liquidated," as they say in totalitarian states, anybody, even Dr. Wurster, who would have refused to employ foreign workers during the war. All one could normally expect of a plant manager in this situation was that he should do his utmost to make work and life as easy for these foreign workers as was possible under the circumstances. We shall show that Dr. Wurster did that, and more than that. We shall demonstrate by means of documents that officials as well as private individuals complained that foreign workers in the Badische Anilin- und Sodafabrik at Ludwigshafen were treated far too well, or that they were even being "pampered." Dr. Wurster did all he could to provide for these foreign workers

adequate accommodations, food, and decent treatment; he issued instructions to that effect, and he saw to it, as far as that was humanly possible, that these instructions were carried out. We shall, moreover, show that everything was done to make the foreign workers feel at home. I have no intention of going into details, or of dealing with all the points raised in the evidence. As far as the treatment of the foreign workers is concerned, all those who were on the spot and who had for those foreign workers feelings stronger than mere sympathy, are unanimously agreed that Dr. Wurster's attitude to those men was one of decency, understanding, and helpfulness: it was, in short, a humane attitude.

Let the prosecution accuse Dr. Wurster of any crime they choose: it is absolutely impossible that he ever committed an action which would discredit him in the eyes of honest men of any nationality. It is one of the most remarkable facts in the case of Dr. Wurster that all sections of the population who knew him as the head of the great Ludwigshafen plant, and all the workers and employees, irrespective of their political opinions or religious convictions or social position in the plant, respect, honor, and love him. That I shall prove. When Dr. Wurster, who had been lying seriously ill in the Ludwigshafen hospital, was at last transferred in an ambulance to Nuernberg as a result of the inexorable pressure brought to bear upon him by the prosecution, the official representative of the employees of the plant presented him with flowers and formed a guard of honor. More than 19,000 employees and workers of the factory went on strike like one man for one hour in sympathy with him. We shall submit to the Court the relevant documents. I do not think that I am saying too much when I claim that it would be difficult to find, not only in Germany but in any country (relationships between employers and employees being what they are), the staff of a factory supporting a director as unanimously and voluntarily as they supported Dr. Wurster. I doubt whether I have met any man in my very eventful and full life of whom it could be said that he had no enemies. I have met such a man here, in the person of Dr. Wurster. I am almost inclined to think that the representatives of the prosecution are his only enemies; and even they would change their opinion if they paid heed to the words of the Rev. Marshall, and provided they studied the man, and not only the documents in the case. When the American Armed Forces occupied the Ludwigshafen-Oppau plant in March 1945, after the collapse of the German Army but prior to the cessation of hostilities in Germany, they soon formed a similar opinion of Dr. Wurster and left him in charge of the management

of the factory. They made careful inquiries about Dr. Wurster on the spot, as we shall prove by means of the testimony of an American. They did not only study the documents in the case, they gained their conviction on the very spot where the truth could most easily be established, in the place where he worked. They found in Dr. Wurster a man who had disobeyed the orders the Nazi powers issued at the end of the war, prior to the arrival of American troops, to the effect that he blow up the whole factory and withdraw to the other side of the Rhine. They discovered that Dr. Wurster had sabotaged the order of the Nazi bosses at the risk of his own life, thus saving the important factory and the town of Ludwigshafen from ruin and destruction. That too, I shall prove. They found in Dr. Wurster a man who opposed all the lunacy, and prevented it, and averted disaster by his courageous conduct. The American occupation authorities collaborated closely with Dr. Wurster during the time they occupied the Palatinate and Ludwigshafen. When they left that area, on 10 July 1945, to hand it over to the French occupation authorities, they expressed their regret at being unable to continue working with him. That we shall prove. We shall also prove by means of the same testimony that Dr. Wurster and others were considered by the Americans, after a thorough examination of the facts and in accordance with the experiences they had made, as an "honest and honorable gentlemen upon whose word" they "could depend."

Wasn't it, by chance, this evaluation of Dr. Wurster which caused American authorities to offer him a good position in the United States of America a short time before this indictment was filed? Is it possible that all these people, the German population who know him so well, as well as veteran and experienced Americans, who investigated the case and who worked with him day by day, can be wrong, and that only the prosecution is right, with nothing to show but a few paltry documents?

When the French occupation authorities took over from the Americans the occupation, and therefore the administration, of the Badische Anilin- und Sodafabrik, Ludwigshafen-Oppau, the same thing happened. After a certain probationary period, Dr. Wurster was reinstated as manager of the factory, his record having been investigated. As an exceptionally large percentage of the foreign workers and prisoners of war had been French, the French authorities of course immediately instituted an inquiry into the treatment meted out to their fellow countrymen in the plant for which Dr. Wurster was responsible. The result of the inquiry was that the French authorities were confirmed in their faith in Dr. Wurster. When a Frenchman (who was especially

well qualified, on account of the position he held, to make such a statement) said to me, when he was told that I had undertaken to defend Dr. Wurster, "Sir, you are defending a good cause," he put into words what everybody was thinking.

Can it be that all these Americans, Frenchmen, and Germans, who were in immediate contact with him, are all wrong, and that only the prosecution, which does not know him personally at all, is right? Can it be that all these people, some of whom knew him during the most trying days in which a man is put to the test, were deceived by him, and that only the prosecution, which knows nothing about him at all, is endowed with the acumen required to see him as he really is? One is reminded of the sentence attributed to Abraham Lincoln, "You can fool some of the people all of the time, and all of the people some of the time, but you cannot fool all of the people all of the time." In reality, nobody has been deceived with regard to Dr. Wurster, with the sole exception of the prosecution, which succeeded in deceiving itself.

It is therefore no coincidence that I, who sacrificed my position and my fortune in the cause of fighting against national socialism and for peace and liberty, and who spent 14 years in exile, should undertake the defense of this man. I could undertake it safely in accordance with the wishes of those who were opponents of nazism. I felt an inward urge to undertake it when I had become convinced, in the course of long interviews with Dr. Wurster, that he was innocent.

When I ran into one of my friends (a fellow lawyer whom I had met in exile) outside this courthouse the other day, carrying under my arm a few document books, he raised his voice in surprise and said: "What, you—defending war criminals?" to which I confidently replied: "No, I am defending Dr. Wurster."

Thus I shall sincerely seek the truth in the course of my presentation of the evidence and, finding it, shall follow it whatever the cost, knowing that it is the truth which makes men free. I am confident, Your Honors, that truth will make my client free and that justice will unlock the doors of his cell and will restore him to life and to work, to all these countless thousands of people who are waiting for him; to that large community of working men who wish to build with him a better world.

W. Opening Statement for Defendant Duerrfeld*

DR. SEIDL (counsel for defendant Duerrfeld): Mr. President, my opening statement for the defendant Duerrfeld will take a

* Tr. pp. 4910-4926, 19 December 1947. The final statement of the defendant Duerrfeld to the Tribunal appears in section XII 12, vol. VIII, this series.

little longer than the average of the other statements, but it shall not constitute a prolongation of the session because only two more opening statements are to be delivered which are comparatively short. Mr. President, Your Honors: In count one, the defendant Dr. Walter Duerrfeld is accused of having participated, with divers other persons during a number of years prior to 8 May 1945, acting through the instrumentality of Farben and otherwise, in the planning, preparation, initiation, and waging of wars of aggression and invasions of other countries. The prosecution has not, however, been able to submit a single document which would justify the assumption that the defendant Duerrfeld did, in fact, participate in the planning or the execution of the actions which form the subject of this count of the indictment. Nor did he at any time occupy a position in Farben, or in the financial or economic hierarchy of Germany, which might have suggested to him the possibility of decisively influencing political or economic issues in that respect. It must be noted especially that he was not a member of the Vorstand of the I.G. Farbenindustrie, or of the Technical Committee (TEA), or of any other similar institution of this firm. When presenting evidence, or summing up evidence from the legal point of view, the defense will therefore be in a position to confine itself to stating a few fundamental points in connection with count one. This is particularly true in respect to the legal consequence of the German-Soviet secret treaty of 23 August 1939. Defense counsel for Gattineau, in the course of his opening speech, has made application that, considering the contents of that secret treaty, the London Agreement of 8 August 1945, including the Charter of the IMT and the Control Council Law No. 10, should be regarded invalid. In the proceedings before the IMT, I raised the same objections when acting as defense counsel of Rudolf Hess, and I join the above application. In the course of our submission of evidence, the text of that treaty and other documents will be submitted to give a basis for our objections.

The same applies to count two of the indictment, in which the defendant Duerrfeld is accused of having committed war crimes and crimes against humanity together with the other defendants during the period from 12 March 1938 to 8 May 1945, in that they participated in the plunder of public and private property, exploitation, spoliation, and other offenses against property in countries and territories which were occupied by German troops during the war. No indication can be found in any of the documents submitted by the prosecution that the defendant Duerrfeld was in any way involved in the actions which form the subject of this count of the indictment.

We are therefore in a position to say at this point that neither in count one nor in count two of the indictment has the charge against the defendant Duerrfeld been proven conclusively, so that the defendant Duerrfeld must be pronounced "not guilty" to that extent, without the necessity of considering the evidence submitted by the defense or the legal evaluation thereof.

In count three of the indictment, the defendant Duerrfeld is accused of having committed, together with the other defendants during the period from 1 September 1939 to 8 May 1945, war crimes and crimes against humanity as defined in Article II of Control Council Law No. 10, in that he participated in the enslavement and deportation to slave labor of members of the civilian population of the occupied countries, and in the enslavement of concentration-camp inmates.

In accordance with the scope of the prosecution's case in chief in connection with this count of the indictment, the actions of the defendant Duerrfeld need only be examined insofar as his participation in the construction of IG's Auschwitz plant is concerned. In view of the fact that he was not a member of the Vorstand or of the Technical Committee and did not, therefore, have any influence on the question of the employment of foreign labor and of prisoners in general, there is no need to put forward a legal evaluation of the labor problems of Farben in general, and of certain other plants, in connection with the defense of the accused and with the assessment of his guilt before the law.

As the evidence submitted by the prosecution has already shown, the construction of a fourth buna plant in Upper Silesia was ordered by the top-level planning authorities of the Reich at a time when it had become apparent that a speedy termination of hostilities could no longer be confidently expected and that the war was, in fact, a fight for the vital foundations of the entire nation. In this connection, I should like to draw your attention particularly to the letter, dated 8 November 1940, written by General von Hanneken of the Reich Ministry of Economics to the defendant Dr. ter Meer, which has been submitted by the prosecution as Exhibit 1408 (*Doc. NI–11781*). The defendant Duerrfeld took no part in the selection of the site for the fourth buna plant, the construction of which had definitely been decided upon on 2 November 1940. But the evidence submitted by the prosecution, and especially the reports of the defendant, Dr. Ambros, have shown how completely erroneous is the statement made in the indictment that the presence of a concentration camp in the vicinity of Auschwitz was a decisive factor in the choice of a site for the new plant. In this connection, I should like to draw the attention of the Court to the contents of Prosecution Exhibits

1412 (*Doc. NI–11785*) and 1414 (*Doc. NI–11113*). These documents, as well as several other documents, prove conclusively that the concentration camp near Auschwitz, which, by the way, was still very small at that time, was not an important factor in the choice of the projected plant, but that the Auschwitz area was chosen as a site for the new plant solely because it completely met all the other requirements for the construction and the operation of a plant of such dimensions, namely, good traffic conditions, a large level area, and the fact that coal, limestone, and water were within reach.

As far as the employment of prisoners from the neighboring concentration camp in the construction of the new plant is concerned, this too had been ordered by the top-level planning authorities of the Reich at a time when the defendant Duerrfeld had no knowledge of the plans for a new buna plant. I should like, in this connection, to draw your attention to the letter written on 18 February 1941 by the Plenipotentiary for the Four Year Plan to Reichsfuehrer SS Himmler,* in which under (3) Goering himself gives orders "that the neighboring concentration camp provide for the construction of the buna plant the largest possible number of skilled and unskilled building workers." This letter, copies of which were sent to Dr. Syrup, the State Secretary responsible for problems of labor allocation, to [Dr. Krauch], the Plenipotentiary General for Special Problems of Chemical Production, and to various other agencies, was offered by the prosecution as Exhibit 1417 (*Doc. NI–1240*) ; and I should like to refer to it for details.

It was not before the beginning of March 1941 that the defendant Duerrfeld was asked by the defendant Dr. Buetefisch to assist in the construction of this new large IG plant, as it had been decided in the meantime that a plant for the production of high-grade synthetic products (the so-called "Leuna section") should be erected as part of the whole plant side by side with the buna plant. (In this connection I should like to refer you to the affidavit made by the defendant Duerrfeld on 21 April 1947, which has been submitted by the prosecution as Exhibit 288 (*Doc. NI–8006*).) At that time Duerrfeld was Oberingenieur (Chief Engineer) at the Leuna works and head of the high pressure department. Since 1939, he had been employed in a supervisory capacity in the construction of the new IG hydrogenation plant at Poelitz.

Within the framework of over-all planning for the Auschwitz plant, which required the investment of no less than 560 million reichsmarks, the defendant Duerrfeld was responsible for gen-

* Prosecution Exhibit 1417, Document NI–1240, not reproduced herein.

eral technical problems relating to power and water supply and for traffic control, apart from his work in connection with the "Leuna plant." Plans for the whole of the giant plant were drawn up simultaneously at Ludwigshafen and at Leuna, as Sparte I as well as Sparte II took part in the construction of the plant. In this connection, I should like to draw your attention to the numerous minutes of building conferences held at Ludwigshafen and Leuna, submitted as evidence by the prosecution. Until the autumn of 1942, the defendant Duerrfeld directed, from Leuna, construction and installation work with which he had been entrusted. He did not move his office and his technical staff to Auschwitz until October 1942, when he took over the management of the site as construction and installation engineer upon the commencement of installation work proper. He usually received his orders from the construction conferences mentioned above, at which the Vorstand was also represented. Together with the two chemists of the buna and synthetics groups, he represented the technical management of the plant. On 19 April 1944, he was appointed director, together with those two chemists, Dr. Eisfeld and Dr. Braus. Being an engineer, Dr. Duerrfeld was, of course, in charge on the spot while construction and installation work was in progress; as the plant started production, he was to hand over the direction to a chemist as Betriebsfuehrer.

In the main, four groups of workers were employed in the construction of IG's Auschwitz plant: German workers, voluntary labor from abroad, British prisoners of war, and inmates of the Auschwitz concentration camp. When the plant was evacuated, in January 1945, in the face of the approaching Soviet Armies, about 30,000 workers were employed there. There were among them about 7,000 prisoners, because as a rule, only a certain percentage of the entire crew of camp IV was employed in the plant at any one time.

In the years 1941 and 1942, almost all, and in 1944, no fewer than two-thirds, of the prisoners were employed by the construction and installation firms who had been given the contracts, and received their instructions from them. The part played by the construction management department of the Reich Ministry for Armaments and War Production, to which the Farben plant management was subordinated, will be examined in detail when the evidence is submitted.

As far as the evidence submitted by the defense is concerned, its tendency and contents are determined largely by the evidence submitted by the prosecution, but, the prosecution's case in chief having been presented, the following statements can be made at this point:

A number of the assertions made in the indictment have been invalidated by the documents submitted by the prosecution, and by their witnesses. This applies particularly to the figures on the turnover of workers given in the indictment, to medical treatment of prisoners, and similar problems. I should like to refer in this connection to the contents of the sick list of camp IV [Monowitz] for the period from 7 July 1943 to 19 June 1944, submitted by the prosecution (*Ex. 1493, Doc. NI–10186*).* During this period no fewer than 15,707 prisoners were registered for treatment as in-patients in the hospital building of camp IV. The entries in this list easily dispose of the assertions contained in the indictment and the statements made by various witnesses for the prosecution.

It can further be claimed that the evidence submitted so far has shown that the competent administrative offices of the Reichsfuehrung SS were solely responsible for the administration of camp IV (Monowitz), where the prisoners were housed after 27 October 1942. In accordance with instructions received, Farben merely supplied the huts which served as billets, including furniture and fittings. As far as billets and furniture were concerned, the camp differed in no way—apart from security measures—from the camps which Farben had constructed for German workers and for voluntary laborers from abroad. The reason for this is that camp IV, constructed later, had not, to start with, been intended as accommodation for concentration-camp inmates at all, but as a labor camp for voluntary workers. That was the reason why, to mention just one example, camp IV had its own central heating system like the other camps.

Apart from that, camp IV was one of the 40 to 50 SS labor camps which were scattered over the whole of Upper Silesia and which were subordinated, administratively, and as far as guards and medical care were concerned, to the main camp at Auschwitz. The commandant of camp IV had to obey the orders and instructions issued by the commandant of Auschwitz. The latter in turn received his orders from the Inspector of Concentration Camps at Oranienburg, and from the head of the SS Economic and Administrative Main Office. As far as the execution of measures issued by the police or state police was concerned, orders and instructions were issued direct by the competent offices of the Reich Security Main Office [RSHA], i. e. by the Reichskriminalpolizeiamt [Reich Criminal Police] (Office V of RSHA), and by the Geheime Staatspolizei [Secret State Police] (Office IV of RSHA). Not the slightest opportunity was given to the management of IG's Auschwitz plant for interfering with

* Not reproduced herein.

the administration of camp IV or with the treatment of the prisoners in that camp. The plant management was forced to limit itself to remedying abuses which had become known through complaints or suggestions.

It is of course impossible, in the scope of this brief opening statement, to deal in detail with the evidence submitted by the prosecution. One thing the defense is, however, in a position to state at this point, and the evidence submitted by us will prove it conclusively, namely, that the account of working conditions in IG's Auschwitz camp, as given by the witnesses in their affidavits, does not correspond with the facts, and that it is based on improper and unwarranted generalization and exaggeration of isolated incidents which may actually have happened at one or the other building site in the course of the years.

The defense will prove conclusively by means of documentary evidence that the plant management of the IG at Auschwitz succeeded, in spite of gigantic difficulties owing to wartime conditions, in building up this huge plant within a comparatively short period of time, and that such construction work was accomplished under working conditions which were very much in keeping with the social principles which every German employer for many decades has observed as a matter of course. This is true especially of the defendant Duerrfeld, who considered social welfare work for all the workers entrusted to his care as part of his mission in life no less than the fulfilment of his technical and administrative tasks.

The evidence will show further that the works management at Auschwitz did everything in its power to make working conditions for the prisoners, too, as satisfactory as possible. This was done by the use, wherever possible, of machinery and other technical apparatus. A network of 200 kilometers of regular- and narrow-gauge railway lines covered the factory area; almost 100 engines coped with traffic and transportation. A transportation system of trailer trucks supplemented railway traffic on the factory roads which were 32 meters wide; work on the building site was facilitated and mechanized by means of a huge number of cranes, dredges, pulleys, conveyor-belts and other machinery.

Then, again, the works management tried, at a very early date, to employ the prisoners in accordance with their professional qualifications. Farben spared neither cost nor effort in training as large a number of prisoners as possible, by means of courses specially instituted for the purpose, to be locksmiths, mechanics, welders, bricklayers, etc. On practically all building sites and in practically all installation work, the prisoners worked together

with German and voluntary foreign workers, which is, in itself, sufficient reason for describing work at high pressure as completely out of the question. Wherever possible, the works management and the construction and installation firms bore in mind that full working efficiency could not be expected of the prisoners. The minutes of the construction conferences submitted by the prosecution do, by the way, show that very clearly. Estimates and calculations of the output requirements of prisoners were, therefore, based on an output average of 50–70 percent at most, as compared with the output of a free worker.

THE PRESIDENT: Counsel, would you mind having your presentation interrupted by our recess?

DR. SEIDL: I would like to read only one more sentence, Mr. President.

THE PRESIDENT: Very well.

DR. SEIDL: I should like to mention, in passing, that a large number of prisoners was employed as draftsmen, accountants, in the Finance Office (Lohnbuero), and in similar occupations.

THE PRESIDENT: The Tribunal will rise for its afternoon recess.

(A recess was taken.)

THE MARSHAL: The Tribunal is again in session.

DR. SEIDL (counsel for defendant Walter Duerrfeld): The attempt is made in the indictment to create the impression that the billeting of prisoners in camp IV, in the immediate vicinity of the plant, constituted a reprehensible attitude on the part of the works management of I.G. Farben. In actual fact, however, the living and working conditions of the prisoners improved not inconsiderably on that very account. Not only was the laborious transportation abolished between the Auschwitz main camp and the factory (some 8 km. away), but the prisoners were removed in this way from the considerably less favorable general conditions prevailing in the large Auschwitz main camp. Last but not least, it was important in view of the fact that the large Auschwitz concentration camp was continually being afflicted with severe typhus epidemics, and at no time was the danger of epidemics permanently removed. Besides, by quartering the prisoners in a labor camp removed from the main camp, the works management of I.G. Farben in Auschwitz was in a position to improve the subsistence of the prisoners in that the purchasing department took over the delivery of foodstuffs according to the directives and subsistence rules, including heavy workers' allowances, laid down by the Reich Ministry of Food. However, the preparation and distribution of food then became the sole responsibility of the camp management, upon whom the plant manage-

ment could exert no influence. The buna soup, repeatedly mentioned in the evidence, was served to the prisoners of the I.G. Farben plant as an extra addition.

After protracted negotiations with the camp management, the plant management also gradually succeeded in having the SS guard units removed from the actual plant grounds. From the beginning of 1943 onward, they were posted outside the plant enclosure.

The evidence will further prove unequivocally that on the appearance of the first abuses, the plant management issued a strong decree prohibiting the physical maltreatment of prisoners. Last but not least, defendant Dr. Duerrfeld repeatedly referred to the strict observance of this prohibition at all the larger meetings, and when speaking to the representatives of the 250-odd construction and assembly firms. Whenever a case of nonobservance of this prohibition became known, the plant management called the offenders to account and, if necessary, lodged a complaint with the commandant of the camp.

This introductory explanation naturally cannot be expected to give a detailed survey of the evidence brought forth by the defense. In its opening statement, the prosecution also confined itself, without reference to definite evidence, to giving an account of working conditions in the plant, insofar as this seemed necessary to prove assertions made in the indictment. The attention of the Court must, however, at this point be drawn to a fact which may not be passed over in evaluating the total evidence, namely, that the defense finds itself obviously short of evidence in view of the special circumstances brought about by the collapse of Germany and because of the dissimilar origin of the workers in the Auschwitz plant. In addition, the unions of former concentration-camp prisoners, which have been formed in Germany, have forbidden their members, under threat of expulsion and loss of privileges, to place at the disposal of the defense any evidence, and in particular, statements under oath. We shall be submitting documentary evidence on this in due course.

On the other hand, many foreign workers and former prisoners of camp VI, who were employed in the Auschwitz I.G. Farben plant, are living today in their own countries under political conditions which make it impossible for them to give of their own free will, by means of affidavits, a more or less truthful account of the actual working conditions in this I.G. Farben plant. It cannot be expected of the defense that they should endanger the freedom of these people by applying to this Court to have them called as witnesses. In these circumstances, all the more weight must be attached to the observations of the workers and sectional

chiefs of Farben, and of the numerous construction and assembly firms, and above all, to the statements of those prisoners, who, in spite of prevailing conditions, have had the courage to place themselves at the disposal of the defense and give an account of the working conditions in the plant as they really were. The presentation of this evidence will show the Court that the picture conjured up by the prosecution is a caricature and far removed from reality. How else could it be explained, for example, that a former concentration-camp prisoner, who is a Jew, in his affidavit (which will be presented by the defense with many others of a similar nature) makes the following statements:*

"I am a Jew. My father lost his life in the Dachau concentration camp. My mother and sister were gassed in Auschwitz-Birkenau. I myself was imprisoned in Italy with my father and deported to Germany, when we were trying to save ourselves from the clutches of the Gestapo * * *"

I skip a few sentences and I continue:

"As far as I know, the SS and not the IG were, without exception, responsible for the conditions in the buna camp, as control and supervision in the buna camp were the duty solely of the SS. The I.G. Farben had no influence on the camp management and the I.G. Farben people did not even have the right to enter the camp without some formality * * *"

After giving his opinion on the assertion of the prosecution that there were torture chambers in camp IV and that youthful prisoners were also to be found there, the witness continues in these words:

"Nor is it true that prisoners were ill-treated by the I.G. Farben or its organs, for insufficient output. It happened occasionally, it is true, that sections of the SS mistreated prisoners through Kapos, but whenever this became known to the I.G. Farben plant management, they took steps against it immediately.

"I did not observe any prisoners being punished for inadequate work performance. The prisoners were mainly punished when they communicated with the civilians in the plant in defiance of the SS decree forbidding this * * *"

After a detailed account of conditions relating to working hours in the plant, food, quarters, clothing, and medical attention, this

* Duerrfeld Defense Document 892, Duerrfeld Defense Exhibit 422 (not reproduced herein), is an affidavit by Adolf Taub dated 11 August 1947. Taub was later called as a witness and appeared before the Commission on 4 May 1948. His testimony in full is recorded in the official transcript (4 May 1948), pp. 13480–13489.

former prisoner—who can certainly have had no interest in giving a too favorable account of conditions after his own bad experiences—concludes his affidavit with the following words:

"It is true that prisoners in camp IV who were unable to work were often shipped to Birkenau or Auschwitz I. It is possible that a few of them were killed there; I do remember, however, that some of my co-prisoners who were taken away from the buna camp as incapable of work, I later met in a healthy state in the main camp, so that I have to assume that after being taken from the buna camp they were cured in the main camp. There can be hardly any question of the 300 percent turnover of prisoners in camp IV. Perhaps this conception arose from the fact that in the first years the number of camp inmates fluctuated because transfers took place between individual camps. For example, in March 1943, some blocks of about 2,000 prisoners, including the block leaders (I remember the names Hermann Dimanski and Van Felsen), were transferred in a body to another camp, but I am not aware of the reasons for this transfer.

"Summing up, I would like to state explicitly, for the sake of justice, that the prisoners working with I.G. Farben were much better off as regards quarters, food, clothing, etc., than other concentration camp prisoners. I attribute that to the efforts of the I.G. Farben management. It is accordingly not true, either, that up to 100 prisoners died at their work daily. I remember, to be sure, some isolated cases where a prisoner died at his work. But it had nothing to do with the output demands made by I.G. Farben, nor with treatment received from I.G. Farben. Finally I should like to stress the fact that compared with Birkenau, the buna camp was a paradise. During all the time I spent in concentration camps I have never felt so secure from death as I did in the buna camp. I can therefore only explain the statements about which I have been informed, which were made in the indictment about the Auschwitz Farben plant, and the labor camp situated there, by saying that there must have been some confusion with the Birkenau camp * * *"

Another former prisoner of camp IV, also a Jew, who spent a full 3 years in this camp, expresses himself in a similar fashion. After previously having been in the Buchenwald, Gross-Rosen, Dachau, and Auschwitz I concentration camps, he came on 27 October 1942 with the first prisoners to camp IV in Monowitz, where he stayed until the camp was cleared on 18 January 1945. He worked daily. After giving a detailed account of the condi-

tions in respect to quarters, food, and medical attention in camp IV, the witness makes the following statements with regard to the working conditions in the plant:*

"The labor details always were subordinate to the construction and assembly firms of I.G. Farben, and had nothing to do directly with the I.G. Farben management. At first, guard duty was carried out by SS people in the place where we were working, but this was later discontinued, and the prisoners could therefore move about freely inside the I.G. Farben plant. Neither I.G. Farben nor the firms carrying out their orders ever possessed any disciplinary or punitive powers, nor did they exercise any. I know that the IG had strictly forbidden their staff members to mistreat the prisoners in any way.

"I even know of two cases where the assembly workers of M.A.N. [Maschinenfabrik Augsburg-Nuernberg A.G.] were reported to the political management of the camp by I.G. Farben for mistreatment of prisoners, and they were severely reprimanded. The speed of the work on the building site was adjusted according to the work and was in proportion to the strength of the prisoners, without it being possible to describe it as murderous. In the I.G. Farben works in general, no one ever worked himself to death, but spared himself wherever he could * * *"

After describing the bonus system established by the works management of the I.G. Farben and commenting on the changes in working personnel of camp IV, this witness comes to the following definitive conclusion:

"It is false to assert that numbers of prisoners daily died of exhaustion at the places of work. It is true that deaths occurred at the places of work, but the cause could in no way be attributed to the work performed.

"To sum up, I can say that prisoners who worked for I.G. Farben were better off in contrast with other concentration camps in Germany, for they were well housed and could move about in the works like free workmen. This gave them the opportunity to come into touch with the free workers and, by this contact, psychologically and materially to relieve their lot. It was certainly not in the interest of the directorate of I.G. Farben to increase the hardships of the prisoners. I know of no case where the directorate took any action to prevent their

* Duerrfeld Documents 405, Duerrfeld Defense Exhibit 102 (not reproduced herein), is an affidavit by Gerhard Dietrich dated 12 September 1947. Dietrich was later called as a witness and appeared before the Commission on 6 May 1948. His complete testimony is recorded in the official transcript (6 May 1948), pp. 13752–13771.

mixing with the free workers. This would even have been practically impossible, as we, as prisoners, worked side by side with the free workers. Through this treatment, we gained the inner peace and certainty enabling us to hope without anxiety that we would survive the term of our imprisonment.

"The cruelties charged against the directorate of I.G. Farben in the indictment, and supposed to have taken place in Monowitz, can, according to my experiences during my 3-year period of imprisonment in Monowitz, be described as completely unfounded."

As third and last example, certain statements should be mentioned in the sworn declaration of a former prisoner who arrived in camp IV after having already been a considerable time in the concentration camps Mauthausen and Gusen, and various other camps. After a detailed description of the working conditions in the Auschwitz works of I.G. Farben, he comes to the following conclusion:

"* * * During the years of my stay in Monowitz, I gained the conviction that the I.G. Farbenindustrie did not regard the prisoner allocation as anything desirable, but considered it as an unavoidable evil and a heavy burden; also that, within the limits to which they were restricted, they constantly tried in every way to improve the living conditions of the prisoners and to keep these in a humane and decent manner. In conclusion, I wish to express my conviction that thousands of prisoners—and Jews above all—owe their lives to the better housing and maintenance conditions in Monowitz, compared to other working camps, and to the much better working conditions in the IG works * * *" *

The contradiction between the statements of these witnesses and the further evidence put forward by the defense on the one hand, and the statements of various witnesses and the affidavits of the prosecution on the other hand, is obvious and cannot be overlooked. The prosecution will not be surprised by it—it has had opportunities through the testimony of many prisoners and a large number of foremen and masters of I.G. Farben and the numerous building and assembly firms, to form a fairly accurate picture of the real conditions in the Auschwitz works of the I.G. Farben. The evaluation of the results of the entire evidence

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* Duerrfeld Document 884, Duerrfeld Defense Exhibit 77 (not reproduced herein) is an affidavit by Franz Fuerstenberg dated 10 February 1948. Fuerstenberg was later called as a witness and appeared before the Commission on 10 and 11 May 1948. His complete testimony is recorded in the official transcript (10 May 1948) pp. 14221–14245; (11 May 1948) pp. 14377–14384.

presented will furnish an opportunity to go into these contradictions in the statements of the witnesses in detail, and it will then be seen that the defense witnesses came much closer to the truth because they did not allow themselves to be led in their statements by human feelings (however understandable), by political intentions, or by other personal considerations.

The same applies to the attempt of the prosecution to do all it can to establish a connection between the regulations of the works management of I.G. Farben and the working conditions in these works on the one hand, and the extermination measures against the Jews in the Birkenau concentration camp on the other hand. There has never at any time been such a connection, and not the slightest proof has been submitted that the works management of I.G. Farben in Auschwitz issued any orders or regulation which could in this connection be counted against them as crimes.

As far as the witnesses of the prosecution have made any statements on this question, they have consisted exclusively of suppositions and conclusions. Not a single witness was able to state any facts which would even remotely justify the assumption of illegal and guilty behavior on the part of any member of the works management. The evidence submitted by the defense will show, on the contrary, that—to name one example only—the figures given by the administration of camp IV to the works management concerning the working staff of the camp were such that no doubts could have arisen on the part of the works management. Such doubts were all the more unlikely, as these figures were not based on arrivals and departures, but merely showed the actual numbers of camp inmates at any given time. This figure was, however, constantly increasing on account of the ever more numerous allocation of prisoners to the building site, and on account of the enlargement of the camp. Whatever judgment, however, the Court may reach after the presentation of the evidence and whatever conclusions are to be drawn from it, one fact allows us to look forward with confidence to the result of this trial and its later evaluation, namely, not only that the powerful foundations of these giant works still exist in Auschwitz today, which were built under German direction by technicians and workers from nearly all the countries of Europe together with German workers, under the most difficult conditions imposed by the war, but that in nearly all the countries of Europe, including Germany, there are still living today tens of thousands of former members of the works staff, who for many years will bear witness as to the real living and working conditions in the Auschwitz works of the I.G. Farben.

X. Opening Statement for Defendant von der Heyde*

DR. HOFFMANN (counsel for defendant von der Heyde): Your Honors, my comparatively frequent appearances in this courtroom for the defendant Erich von der Heyde were not due to the number of documents or affidavits submitted by the prosecution against the defendant Erich von der Heyde.

My coming was motivated by the desire to assist in the search for the truth, since I had come to the conclusion that neither the position nor the field of activities of the defendant von der Heyde gave him any possibility of exercising any influence on the matters which are presented here for trial.

The reasons for this conviction I found in the following: The defendant von der Heyde was not a member of the Vorstand of the I.G. Farben. He was not a member of the Central Committee of this Vorstand. He was neither a plant leader (Betriebsfuehrer) nor a department chief (Abteilungsleiter), neither Direktor nor Prokurist of the I.G. Farben. From 1926 until the spring of 1939, i.e., for 12 years, he was a simple employee of I.G. Farben. Only in spring 1939 was he promoted from among the ranks of employees by being made Handlungsbevollmaechtigter.

This, however, did not take him out of the ranks of simple employees of I.G. Farben; he remained one of them. According to the conceptions prevailing in German industry, the description "employee exercising authority" is only used for employees from Prokurist upwards.

The defendant von der Heyde, however, never was this kind of employee.

It is, therefore, only correct and in accordance with the actual conditions in the German industry, if the position of the defendant von der Heyde as Handlungsbevollmaechtigter is translated "head clerk" and not "power of attorney" as designated by the prosecution.

The defendant von der Heyde held this last position for a relatively short time, for as early as 1940 he was called up for service in the Wehrmacht, where he remained until the end of the war.

Farben did not consider it necessary to have him exempted from service in the Wehrmacht.

These are proven facts, although the prosecution time and again speaks of a trial of 23 "leading directors of I.G. Farben."

After the prosecution has produced its evidence, I am still

* Tr. pp. 4927–4932, 19 December 1947. The final statement of defendant von der Heyde appears in section XII 14, vol. VIII, this series.

convinced of the correctness of my first impression. I beg to submit to the Tribunal the reasons for my conviction.

The prosecution has submitted 1834 documents. The number of documents in which the name of the defendant von der Heyde appears or which he himself has drawn up is extremely insignificant. Even in these few documents, the name of the defendant von der Heyde appears to be as remote from the actual happenings which are on trial, as his position is remote from that of most of the other defendants. The few documents which the prosecution has submitted against him are mainly records of the Commercial Committee of the IG in which the name of the defendant von der Heyde appears.

I believe that I am entitled to state, first of all, that this Commercial Committee, in itself, did not represent anything criminal. Beyond this, it has been proved that the defendant von der Heyde was not even a member of the Commercial Committee. The few times in which his name appears in these documents his presence is expressly described as "occasional."

The witness Frank-Fahle, when questioned as to why the defendant von der Heyde was occasionally present at the meeting of the Commercial Committee, stated that, for the sake of facilitating the work, he had been requested to be present as expert on a single question. He stated further that the presence of the defendant von der Heyde had no bearing whatsoever on the actual decisions of the Commercial Committee.

With two exceptions, which I am going to deal with immediately, I could find no documents, excluding his own affidavit and those of his co-defendants, in which the defendant von der Heyde is referred to or mentioned at all. One of the two documents making an exception is the letter written by the defendant von der Heyde to the defendant von Schnitzler in March 1940. From this document it is apparent that up to the time it was written, that is 30 March 1940, the IG had organized neither a fifth column nor an espionage system abroad.

As far as I can see, it is inexplicable why the prosecution submitted this letter at all, for it contradicts the assertion of the prosecution that up to then, the IG had organized a system of espionage and a fifth column abroad.

Defendant von Schnitzler's reply of 3 April 1940 is significant. This letter is polite, but evasive and, when all is said and done, meaningless. Obviously nothing was done as a result of the letter from the defendant von der Heyde.

The other document is dated April 1940, and deals with ap-

proximately the same question. It is Document NI–1447, Prosecution Exhibit No. 930,[1] document Book no. 49.

The same applies to this document as to the first letter of the defendant von der Heyde, addressed to the defendant von Schnitzler.

In short, it is apparent from both documents that first of all, they were written during the war; secondly, they represent only a preparatory action; and thirdly, as can be seen from their contents, they were not written by the defendant von der Heyde of his own accord.

From the contents of both letters, it is also apparent that the defendant von der Heyde was not, as is asserted by the prosecution, a counterintelligence agent (Abwehragent) at any previous time, i.e., particularly before the war.

The defendant von der Heyde was a security commissioner (Abwehrbeauftragter). Thus ran the official German designation, which at the same time made quite clear the essence of such a man's work.

If the defendant von der Heyde had been a counterintelligence agent (Abwehragent), his functions could not have been merely passive, but he would have been active, too; for the word "agent" is derived from the Latin "agere" and means to act. The word commissioner (Beauftragter), on the other hand, shows that the duties of the defendant von der Heyde were not considered to be espionage, but merely the passive functions of a security commissioner.

Work of this type is, however, not confined to Germany, but is necessary for the protection and safety of every state, and can, therefore, not be considered as criminal in itself.

As to the activity of the defendant von der Heyde as an honorary collaborator in the SD, the witness for the prosecution, Otto Ohlendorf,[2] stated that the defendant von der Heyde discontinued his work as an honorary collaborator of the SD probably already in 1938, quite definitely, however, in 1939. In addition, the witness Otto Ohlendorf stated that all the defendant von der Heyde had to do was to inform the SD, the organization to which the witness belonged, about Konzern questions which were not secret, and this information could have been obtained also by a thorough study of books, although considerably more time would have been required.

According to the deposition of this witness, the work of the

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[1] Not reproduced herein.

[2] Otto Ohlendorf was chief defendant in the "Einsatzgruppen case," Case 9, *United States vs. Otto Ohlendorf, et al.*, vol. IV, this series.

defendant von der Heyde had nothing to do with an informer's activity.

As to his organization, the defendant von der Heyde was a member of the Reiter SS [Mounted SS] which he joined in 1933, and which was not declared criminal by the International Military Tribunal.

May I direct the attention of the Tribunal to the deposition of the witness Karl Wolff in this respect. This deposition can be found in the transcript of the Commissioner of this Tribunal, dated 15 December 1947 (morning).*

Neither do the affidavits of the defendant von der Heyde himself or of his co-defendants, as far as they mention him at all, give a different impression.

I must almost doubt that the prosecution, which called the superiors and colleagues of the defendant von der Heyde—including some of those who were also security commissioners (Abwehrbeauftragte)—as free witnesses, indicted him according to his actual position and according to what he actually did.

Some months ago, a member of the British House of Commons asked whether, after the indictment of the directors and the members of the Vorstand of I.G. Farben, the workers and employees were to be indicted too. This would be quite incompatible with both the judgment of the International Military Tribunal at Nuernberg and the Control Council Law No. 10. This would lead gradually to the establishment of a collective guilt, the idea of which the International Military Tribunal has refused to accept. It would, in addition, also contradict the most generous interpretation of Control Council Law No. 10, such as the prosecution itself has given on page 2 and page 7 of the German transcript of the first part of its preliminary memorandum, and in the brief of 6 December 1947.

Now, as before, I am, therefore, of the opinion that this Tribunal will judge the individual guilt alone of the defendant von der Heyde.

I have expressed above what I have to say now on this point. In producing my evidence, I would be able only to reinforce those statements, mostly by witnesses who either were superiors or colleagues of the defendant von der Heyde, or who, after his enlistment in the Wehrmacht, took over his functions. All of them are at liberty.

I maintain, however, that the evidence so far furnished by the prosecution does not offer the possibility—when considering

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* Transcript pp. 4598–4624.

the defendant von der Heyde's individual guilt—of finding him guilty.

The defendant von der Heyde had nothing to do with counts one, two, and three, because his position neither offered him an opportunity to exercise any influence in this respect, nor was his field of activity in any way connected therewith.

Count four can be ignored because the defendant von der Heyde left the SD as honorary collaborator in 1938, and for the rest, belonged to the Reiter SS which has not been declared criminal.

Count five of the indictment is not applicable to the defendant von der Heyde at all, in view of his position.

Y. Opening Statement for Defendant Kugler*

DR. HENZE (counsel for defendant Kugler): May it please the Tribunal: The prosecution presents the defense counsel in this case with the difficult task of selecting from the voluminous prosecution material that which refers to the individual defendants. The prosecution did not specify its material as regards persons. There is the danger of occupying oneself with things that are far removed, which is not in the interest of expediting the proceedings. This danger is especially great in the case of my client, Dr. Hans Kugler, since he occupies a less important place in this trial, in view of his position in the IG. I shall endeavor to avoid the introduction of less relevant matter; at all events, I consider that it is not my fault if I do not succeed.

In my deliberations, I must start from the fact that my client was not a member of the Vorstand of the IG. Consequently he did not have even the responsibility (in accordance with the law relating to joint stock companies) that a member of a Vorstand has, which—as one of my colleagues had already explained—is a responsibility of civil law but not criminal law. My client, as regards his business dealings, was responsible merely to his superiors. He was, however, dependent on the instructions of his superiors too. I shall have to examine, and I ask Your Honors to observe in the examination, whether in each individual case my client carried out instructions issued to him, or acted independently within the scope of the sphere assigned to him. In the former case, it is of significance whether my client recognized, or had to recognize, a possibly existing intention which corresponds to the assertions of the prosecution, if such existed in the case of his superiors at all. How far I shall still have to

* Tr. pp. 4933–4944, 19 December 1947.

investigate these points of view—particularly and in detail—depends on the further course of the proceedings.

Since my client was merely a member of some of the committees of the IG, and these committees were no real legal entities but were composed arbitrarily as required, from a criminal point of view his position cannot be treated other than that of every fellow citizen who lived in Germany. I assert that the committees of the IG did not have the bad character, at all, that the prosecution would ascribe to them. I shall produce further, detailed means of proof of this and of the significance of my client in these committees.

My client was a merchant, he sold dyestuffs; he worked in an office where there were only commercial employees, not wage laborers. This fact will circumscribe the presentation of evidence. This view of mine is in accord with what General Taylor dealt with, point by point, when summing up at the close of his opening statement. He mentioned my client only in connection with counts one and two of the indictment. This allusion will be my guide.

Apart from the allegation that my client placed himself in direct opposition to Control Council Law No. 10 by his own actions, the prosecution further asserts that my client, along with the other defendants, participated in a joint plan or conspiracy aiming at the preparation of the war of aggression. If these men, about whom the Honorable Tribunal has to decide, had constituted a conspirators' guild of this kind, then it may be assumed that they knew each other well and also met frequently to discuss their plans. The objection cannot be raised that conspirators' guilds did not do this in general because they did not wish to become known or to fall into the hands of the police. This may have been the case with historical conspirators because the conspirators were turning against their own state. It could not have been so if the defendants, along with their government, with whom they are supposed to have formed an alliance already before 1933, had conspired against world peace. In their own country they would have had no police to fear. Therefore they could have done it.

In addition, I should like to refer to the fact that my client was 32 years of age and Prokurist of the IG when the activity of the defendants regarded as criminal by the prosecution began. At that time there were already hundreds of Prokuristen in the IG. Further, I should like to remark that my client knew most of the gentlemen sitting here with him only by name in the first half of the period from 1933; only with very few was he in close contact. I touch upon these viewpoints at the moment merely to

make my assertion comprehensible, that my client certainly cannot have collaborated in anything as vague as this indictment, the joint plan of these defendants. Any evidence that, contrary to this opinion (the authenticity of which is revealed *prima facie* by the position of my client in the IG), instances exist to show that he consciously and in cooperation with others worked at the alleged joint plan against peace, I cannot get from the document material.

The prosecution accuses my client of having participated personally in the planning and preparation of aggressive war. In count one of the indictment, the prosecution has been at pains to erect a mosaic-like structure supposed to represent a causal connection between the activity of the defendants and the aggressive war begun in 1939. I shall have to look in this mosaic for the little pieces connected with the work of my client. I shall furnish proof that this activity can serve other aims besides the criminal purpose alleged by the prosecution, namely the preparation of aggressive war. In a modern state, one can naturally connect each action of a citizen with war, since the whole economic life in a war is of significance in all its details for the conduct of the war. I mention the fact that when someone sells dyestuffs to Rumania, at the same time, he puts the state in a position to buy foodstuffs, or leather for shoes, for the armed forces with the money realized. My argumentation, Your Honors, will show you that much that the prosecution represents as action aimed at aggressive war, proves to be a harmless business incident, when looked at in a light other than that in which a suspicious interrogator looks at it.

It is essential, therefore, since many business incidents can also be very significant for a war, to pay particular attention in this count of the indictment, not to the objective, but to the subjective side, the question of guilt, the question of the knowledge about certain things, the question of the knowledge of indirect connections with this war and its preparation. General Taylor himself stressed the importance of this question when he drew special attention to the guilt question. Since the prosecution has produced nothing from which I can deduce that my client is accused of special knowledge about the preparation of an aggressive war, I see myself confronted with the necessity of investigating whether my client had any special knowledge or general knowledge of the intention of the Reichsleitung (Reich leadership) to prepare aggressive war.

It is known to the Honorable Tribunal that the IMT acquitted the former Minister of Economics and President of the Reichsbank, Schacht, of the accusation of participation in the prepara-

tion of aggressive war, because Schacht, in spite of the fact that he was Reichsminister, did not belong to the inner circle of the initiated to whom Hitler's plans were known. Therefore, I compare Reichsminister Schacht with Dr. Hans Kugler, the Prokurist of I.G. Farbenindustrie and sales manager for dyestuffs in some of the southern European countries. The prosecution has not undertaken to prove that this defendant possibly knew more than Schacht, that he had special information instructing him about Hitler's plans. In my argumentation, I shall examine the business incidents cited by the prosecution in order to try to prove on my part, over and beyond the unsuccessful proof of the prosecution, that my client directed his business activity, not towards an aggressive war, but towards ends that were not criminal.

I now turn to the accusations brought against my client by the prosecution under count two of the indictment. In view of the distribution agreed to between myself and my colleagues, I am dealing principally with the events which took place in the autumn of 1938 in the part of Czechoslovakia called the Sudetenland.

The prosecution accuses of robbery and plunder. According to the legal concepts taught in this country in the period before the Third Reich, robbery or plunder implies the taking away by force of property not one's own. An essential criterion is the unwillingness of the owner. According to the statement of the prosecution, it seems doubtful whether in other countries the taking away by force of property not one's own also is identical with the concept of robbery and plunder. It expresses the idea that every change of ownership, effected in a country where the German Wehrmacht was, represented robbery. I should like to remark that the prosecution furnished documentary proof that, in accordance with an order of Keitel, the Wehrmacht was reduced, by withdrawals from the Sudetenland made on 20 October 1938, to peacetime strength. It seems immaterial to the prosecution whether direct pressure was exercised on the former owners or whether the buying price was acceptable or not. I leave it to the Honorable Tribunal to ascertain whether the prosecution disavowed the principles of penal law which, in my opinion, are immovable, by subsuming facts of the case under the term robbery and plunder which were not characterized as such in any of the civilized countries and do not correspond to Control Council Law 10, either, in which acts of force against property are spoken of.

To judge by its presentation of evidence, it seems doubtful even to the prosecution itself whether the acts committed before 1 September 1939 are to be looked upon as war crimes in the sense of Control Council Law No. 10, because, in the case of the Sudetenland, there was not state of war. It wishes, therefore,

as a precaution, to look upon these facts of the case as a crime against humanity in the hope that the Court will agree to this extent, even though for legal reasons it believes it is denying the existence of a war crime in the case of the measures in the Sudetenland. Meanwhile, I am of the opinion that there is no question of a crime against humanity either, because, according to the verdict of the IMT, acts of that kind must be connected with an aggressive war or its execution. This verdict was given when Control Council Law 10 was already issued and makes it evident that the Control Council Law 10 was intended to have no extending effect as regards the Charter. Otherwise the IMT, since Control Council Law 10 was already in existence when the verdict was pronounced, would not have adopted the well-known averse attitude to the question of the condemnation of crimes against humanity which were not in connection with a war.

Independent of that, I shall have to take into consideration the events of autumn 1938 in my presentation of evidence, to prove to the Tribunal that a crime against humanity is not to be considered existent for objective and subjective reasons.

The facts at the time are vastly incontestable. It is an essential question whether the representatives of the Prager Verein acted under duress. The question is whether the compulsion was one caused by the circumstances prevailing at the time, which made it appear correct to the management of the Prager Verein to shift the bulk of their production to the South and to separate itself from the Aussig and Falkenau works. Such a tendency was already discernible in 1937, as I shall prove. The further question is whether the contract concluded with IG entailed direct compulsion excluding freedom of action.

The term "Zwang" (duress) has been discussed more than once before this Tribunal. The Honorable Tribunal considered itself obliged to establish the nonexistence of duress. A fixed administration of justice in this question can therefore almost be spoken of. I believe I may take the liberty of a comparative allusion here and affirm that circumstances as described by the witness Dvoracek were in no way such that duress on the part of IG can be spoken of. The witness Dvoracek and his business friends left Prague, which was not occupied by the Wehrmacht, voluntarily in 1938, at a time when—I mentioned it already—troops in the Sudetenland were at peacetime strength too. He was not compulsorily taken to the negotiations, shall we say, in the morning from a military prison. He could travel back with his friends again to the unoccupied country, and did not need to have the unpleasant feeling of being obliged to return to this prison in the evening. Therefore he was not under pressure from

threatening circumstances when he was confronted with the question of signing the contract with IG. He did not have to anticipate physical maltreatment of any kind or any sort of reproaches. He himself has denied, before this Tribunal, that he had to fear disadvantages in the event of refusing to sign the contract. To designate his signature as involuntary is certainly not possible.

General Taylor, in his opening statement, says himself that the general principles of penal law are to be applied in these proceedings. In particular, he stresses that the guilt of the defendants in these events must be proven. Therefore, I ask the Honorable Tribunal to follow me briefly and permit me some detailed statements which, in my opinion, prove that the defendants in general, and my client in particular, during the events which took place in the autumn of 1938 in Czechoslovakia, were definitely unaware of the fact that it was a question of criminal invasion. These opinions concern the charges contained in count one of the indictment, as far as this period of time is included, as well as the charges under count two.

The prosecution has stated that the IMT classified the annexation of the Sudetenland as a criminal act, and referred to Ordinance 7, according to Article X of which, certain rulings of the IMT are binding. It is not my intention to criticize the judgment of the IMT. I merely take the liberty of referring to one point which is of significance for the question of joint knowledge, in accordance with Article X of the Control Council Law. In 1946, the IMT could pass sentence on a development which took place 8 years previously. The IMT was able to draw its conclusions from events of the year 1939 and thereafter. Material was at hand that permitted conclusions to be drawn as to events in 1938. It had also material at its disposal from this period not available to contemporaries. If this Honorable Tribunal chooses to decide about the guilt of persons who intervened in the events of the time in the year 1938 in one form or another, then the Tribunal will be able to take into consideration only things known at that time. The IMT in its verdict characterized the happenings in the Sudetenland as a part of the criminal plan of Hitler, who looked upon the annexation of the Sudetenland as a step on his criminal path to world domination. The Tribunal did not say with that, that the events of that time were individually criminal and were branded with the criminal sign and therefore recognizable as such. How this contemporary event appeared to the person living in Germany at that time is an extremely important matter for the findings of this Court.

I may, therefore, allude to the fact that the Sudeten-German

question was not a phantom fabricated by Hitler to realise his plans. This problem has existed ever since the Czechoslovakian State was formed. This is not my private opinion nor is it an opinion voiced in the last two years. It is the view expressed on 21 September 1938 by Lord Runciman to the British Prime Minister, Chamberlain. Lord Runciman had been sent by the British Government to Prague to study the situation, He says:

> "The problem of political, social and economic relations between the Teuton and Slavic races in the area which is now called Czechoslovakia is one which has existed for many centuries with periods of acute struggle and periods of comparative peace. It is no new problem, and in its present stage there are at the same time new factors and also old factors which would have to be considered in any detailed review."*

The Czechoslovakian State was founded as a consequence of the war of 1914–1918. Its territory was formerly part of the Austro-Hungarian monarchy. This creation has been considered an unfortunate solution, not only by Germans, but by historians and politicians of all countries; among other things, because in this state nearly half of the population were not Czechs, but were of a different nationality.

As for the Germans, the prevailing state of things was that the border regions were inhabited for the greater part by Germans. In 1918, 24,000 Czechs lived in the territory ceded in 1938 to Germany; in 1938, their number was 250,000. The Germans numbered about 3 millions. It is an historical fact that in 1919 these Germans wanted to unite with the German-Austrian Republic; however, they were prevented from doing so. The facts that this state of affairs was untenable, that the Czechs were intolerant towards the national minorities, and that they attempted to make the whole state entirely Czech, were acknowledged by those who understood the situation, even before Hitler actually was known by name to most of them.

PRESIDING JUDGE SHAKE: The sound system doesn't seem to work. We're having some difficulty in hearing.

DR. HENZE: Pardon me?

PRESIDING JUDGE SHAKE: Go ahead.

DR. HENZE: All this applied also to the Polish, Hungarian, and Slovak minorities. In connection with this, I mention the Slovak Liberation Movement under the leadership of Pater Hlinka, who fled to the U.S.A. and, in Pittsburgh, proclaimed among the in-

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* Kugler Document 29, Kugler Defense Exhibit 30 (dated 21 September 1938), not reproduced herein.

habitants of Slovak descent living there, the independence of the Slovaks.

It is not my task at this time to prove historical facts. As far as this is necessary in individual cases, I shall do so. I only beg permission to point out to this Honorable Tribunal that in the last two years, after the collapse of Germany, millions of Germans were expelled from the Czech State, and caused much trouble, especially to the occupation authorities of the American Zone of Germany, on account of the density of population there. I believe I need not elaborate any further concerning the correctness of the facts indicated by me, if I call attention to this migration of people. It shows that actually millions of Germans lived in that country. It shows that it was only natural for them to endeavor to turn towards a state in which they might speak their mother tongue, in which they might send their children to schools which were not suppressing, but teaching, their mother tongue.

In this light, Your Honors, Germany saw this problem in the year 1938, and thus every German could see it. If, in the Munich Pact—a state treaty negotiated mutually with the great powers, England and France—a solution of this burning question was found, a man such as, for example, my client, could not suppose that the gentlemen, Chamberlain and Daladier, signed a treaty, the justification of which they, themselves, did not acknowledge. He could not suppose that the conferences and investigations of the British envoy, Lord Runciman, were falsehood and deceit, and that, perhaps knowingly, he wished to harness himself to Hitler's war chariot to aid and abet his preparations for war and plans for world domination. The IMT claims Hitler had no intention to abide by the Munich Agreement. But Hitler, at that time, did not make it known to the public that such was his intent. Neither did the IMT say that this was known then. That and that alone is the issue.

Surely, many a German may have termed the ways and means Hitler used to realize his plans regarding the Sudetenland as lacking in nicety. But he will not have suspected falsehood and deceit when he heard of the Munich Agreement. Neither could he presume falseness when he read in the papers that Chamberlain believed that he had gained "peace for our time."

When, in the course of these events, the German Reich, on the strength of a treaty, had assumed sovereignty over the Sudetenland as part of the German Reich, a German Ministry deemed it necessary to appoint a trustee [Treuhaender] for the Sudeten-German plants of the Verein fuer Chemische and Metallurgische Produktion [Prager Verein]. It was a known fact that in this region great unrest prevailed and that the plants at Aussig and

Falkenau were in danger, due to their separation from the Prague headquarters. This trustee held the title of "Kommissar." To doubt the legality of these government measures was unreasonable for anybody living in Germany, a state which was wont to encroach greatly on the economy. In this respect, the defense will have additional material to supply as evidence in the course of this trial. The same goes for the fact that German nationals offered their services for such an office, in accordance with the regulations of their country. This my client did.

I assert, furthermore, that my client conducted his trusteeship in a manner not counter to the interests of the proprietor. The prosecution has asserted certain facts which supposedly disclose my client's incorrect conduct of business. The prosecution's evidence respecting this has not yet been offered in full; therefore, I must decline to discuss this point further right now.

My demonstrations purport to show that things happened here which, at that time—looked at from an historical point of view—did not represent an unjustified development; that they, furthermore, were realized in a form not to be considered as criminal in the meaning of the indictment. Hence, I may infer that, *prima facie,* one can reproach no participant with being an accessory to a criminal set of circumstances.

It only remains for me now to comment briefly on the statements General Taylor made on 27 August 1947. He argued that the IG completely ruined the economy of the occupied regions. I make the assertion, and shall prove it, that in the Sudetenland, after annexation of this territory by the German Reich, the plants of Aussig and Falkenau in no way suffered in respect to their assets and production; that no dismantling took place in this territory; that, on the contrary, prosperity ensued. I do not know if this remark of General Taylor also refers to the then not occupied Czechoslovakia. In this connection, I am in a position to assert, and to support this assertion by evidence, that, through the aid of the IG, the Verein fuer Chemische and Metallurgische Produktion was enabled to enlarge its sphere of action.

This, Your Honors, concludes the statement which I submit in the interests of my client.

IV. ORGANIZATION OF THE I.G. FARBEN KONZERN

A. Introduction

All of the defendants were charged with criminal conduct by "acting through the instrumentality of Farben and otherwise" under the four main counts of the indictment. (See pars. 1, 86, 120, and 146 of the indictment, sec. I.) These four counts alleged crimes against peace, spoliation, slave labor, and a common plan of conspiracy to commit crimes against peace. The specifications of the alleged criminal conduct often named one or more defendants as having engaged in particular acts, but the basic theory of the indictment was that all the defendants were jointly responsible for the acts of the I.G. Farben Konzern because of their related positions and functions as leaders of the Konzern. Count five, in charging a common plan to commit crimes against peace, alleged that the defendants "are individually responsible for their own acts and for all acts committed by any persons in the execution of such common plan or conspiracy" (par. 146).

Under these circumstances, the opposing parties at the trial both devoted a very considerable amount of argument and proof to the organizational structure of Farben, the manner in which Farben operated, the German law on corporate organizations, the position and function of the individual defendants, and related matters. (See, for example, the early part of the opening statement of the prosecution in sec. I B, above, and the closing statement on behalf of all defendants by Dr. von Metzler concerning crimes against peace in sec. XI E, vol. VIII, this series). The defense argued that an individual defendant should not be held responsible for acts on behalf of Farben which took place outside the special sphere of delegated responsibility of the individual defendant.

The judgment of the Tribunal contains a description of "Farben as an Instrumentality" which discusses, as well, "the principal positions held by the several defendants in the firm, together with their affiliations with various political, governmental, technical and professional groups" (sec. XIII, vol. VIII, this series). Part II of the concurring opinion of Judge Hebert on counts one and

five of the indictment likewise deals with the organization of Farben under the topical headings, "Origin and Development of Farben" and "Farben's Managerial Organization and Delegations" (sec. XIV, vol. VIII, this series). Only a small part of the evidence and argument upon which these analyses are based can be reproduced herein.

A graphic organization chart of the Farben Konzern, which was introduced in evidence with certificates by the defendants Mann and ter Meer, has been reproduced above as a part of the opening statement of the prosecution (sec. III B). Before the trial began, the prosecution submitted a ready reference manual in the nature of a brief to the Tribunal and to defense counsel. This manual, entitled "Basic Information on I.G. Farbenindustrie," contained descriptive matter and a number of charts and compilations for the assistance of all parties to the trial. The first section of this Basic Information, entitled "Some Main Forms of German Business Enterprise involved in Case 6," is reproduced in B below. This essay was intended to avoid misunderstandings which might arise because forms of business enterprise differ considerably as between Germany and the United States or Great Britain. Since the role of the individual members of the Vorstand of Farben was a basic issue in the case, several documents and brief testimony by two defendants have been reproduced below, as follows: the bylaws for the Vorstand of Farben of December 1938 (subsec. C); extracts from the testimony of defendants von Knieriem and Ilgner (subsec. D); extracts from the German law on joint stock corporations of January 1937 (subsec. E); extracts from a commentary on this law by several officials of the Reich Ministry of Justice which appeared in 1939 (subsec. F); and a legal opinion by a Berlin lawyer which the defense submitted as an exhibit.

B. Extracts from "Basic Information on I.G. Farbenindustrie"*

INTRODUCTION

This "Basic Information on I.G. FARBENINDUSTRIE" is made up in the form of a ready reference manual with an appropriate table of contents. Some of the items in the Basic Information, such as the charts, have been authenticated and will be offered in evidence later. Many of the listings of membership in the governing bodies and main committees have been compiled

* The prosecution submitted this "Basic Information" in two volumes to members of the Tribunal and defense counsel before trial.

from documents which will be offered in evidence later. However, it is not intended that the Basic Information itself be considered as evidence.

SOME MAIN FORMS OF GERMAN BUSINESS ENTERPRISES INVOLVED IN CASE NO. 6

I. Some Comparisons with American Forms and American Law

1. The German law of business associations, like the American, distinguishes between forms of enterprise which are juristic persons and those which are not, such as partnerships. The latter, however, may have some of the characteristics of enterprises which are juristic persons. Under each of these two principal categories, there are various forms of enterprises in which the responsibility and the liability of the sponsors of the enterprise may vary. German enterprises which are juristic persons are hereinafter referred to as corporations. Like American corporations, German corporations can hold legal rights and powers in the same general way as a natural person, but the liability of the owners or shareholders is limited to the amount of their investment in the enterprise.

2. Among the principal forms of business enterprise which are corporations or juristic persons under German law are: The Aktiengesellschaft or "A.G." (roughly translated as "stock corporation"); the Gesellschaft mit beschraenkter Haftung or "G.m.b.H." (company with limited liability); and the Bergrechtliche Gewerkschaft (roughly translated as "corporation under mining law"). The main forms of German business enterprises which are not juristic persons or corporations include the Offene Handelsgesellschaft or "o.H.G." (roughly, a general partnership), and the Kommanditgesellschaft (roughly, a limited partnership). I.G. Farben was established as an "A.G." in December 1925.

II. Forms of German Enterprise which are Juristic Persons

A. Aktiengesellschaft (A.G.)

1. The A.G. is most similar to an American stock corporation. It is created by the filing and recording of articles of incorporation generally called the "Gesellschaftsvertrag" (before 1937) and the "Satzung" (after 1937). Ownership of the A.G. is divided into shares (Aktien) made evident by stock certificates which are either registered or bearer shares. Under the German law both common and preferred shares are guaranteed a voting right and

it is possible for the preferred share to have voting power beyond the voting power of the common share. For instance, in I.G. Farben the preferred shares for many years had ten votes as against one vote for a common share of equal par value (Articles of Incorporation, Paragraph 24). The capitalization of an A.G. generally must amount to not less than 500,000 marks.

2. In an A.G. there are two governing boards, one charged with general supervision, the other with actual management. These two boards are the *Aufsichtsrat,* often translated as "supervisory board of directors," and the *Vorstand,* often translated as the "managing board of directors." Sometimes both the Aufsichtsrat and the Vorstand have been translated as "board of directors." To avoid confusion, the use of the German terms instead of translations is generally preferred. Generally speaking, these two boards, taken together, exercise the functions ordinarily performed by the board of directors of an American corporation. However, taken individually or together, these two boards are not the precise functional equivalent of the American board of directors. The general features of the Aufsichtsrat and the Vorstand in German law and practice in the typical case are as follows:

AUFSICHTSRAT

3. The Aufsichtsrat is a supervisory board of directors elected by the stockholders at the annual meeting generally called the "Generalversammlung" (before 1937) and the "Hauptversammlung" (after 1937). With some notable exceptions, the members of the Aufsichtsrat appear to correspond functionally with those members of the board of directors of a major American corporation who are not members of the executive committee and who do not participate in the actual, or day-to-day, management of the business. The formal rights and duties of the Aufsichtsrat under German law include the election, supervision, and removal of the members of the Vorstand; the general supervision of the management of the enterprise by the Vorstand; the right to examine and audit books and accounts; the calling of shareholders meetings; and the representation of the corporation in dealing with the Vorstand. Of course, the extent to which the Aufsichtsrat in practice exercises these powers to influence the activities of an A.G. depends upon a number of factors, including, for example, who owns or controls the stock.

VORSTAND

4. The Vorstand is the executive board of directors which undertakes the actual management of the corporation generally and represents the corporation in its dealings with others. The members of the Vorstand can best be compared functionally with the

principal officers of a major American corporation who serve on the executive committee and participate in the actual management of the corporation. In 1937 there was a general revision of German corporation law (1937 RGBl., Pt. I, p. 107, dated 30 Jan. 1937, and supplementary decrees thereto). Under the revised law, as construed by legal authorities in Germany, the chairman of the Vorstand could either be the dominant and decisive leader of the enterprise (the "Fuehrer") or he could be "first among equals" (*primus inter pares*) in the Vorstand, in which case the Vorstand as a body was the "Fuehrer" or dominant leader of the enterprise. ("Aktiengesetz, Gesetz ueber Aktiengesellschaften und Kommanditgesellschaften auf Aktien vom 30 Jan. 1937," commentary by Dr. Franz Schlegelberger, State Secretary in the Reich Ministry of Justice, and others, Berlin 1939, pp. 235 and 238.) In I.G. Farben, the second alternative was chosen and followed.

5. As between Vorstand and Aufsichtsrat, the 1937 revision of the law is generally considered as having reduced the power and the importance of the Aufsichtsrat. Among other things, it provided that the Aufsichtsrat could not remove members of the Vorstand before the expiration of their terms except "for just cause." The distribution of *de facto* power and authority as between Vorstand and Aufsichtsrat, on the one hand, and the actual influence of the stockholders, on the other hand, will vary from enterprise to enterprise and from time to time, depending on special facts and circumstances. For example, the owner of a majority of the stock can be the dominant influence in an A.G. whether he is a member of the Vorstand, of the Aufsichtsrat, or of neither, since the majority stockholder can select members of the Aufsichtsrat, who in turn select the members of the Vorstand.

ANNUAL STOCKHOLDERS' MEETING

6. At the regular annual meeting, the stockholders or their duly authorized representatives have the right to ask for information on the annual report of the Aufsichtsrat and the Vorstand and on the general management of the business. The annual shareholders meeting exonerates the members of the Aufsichtsrat and the Vorstand for the discharge of their duties. It also approves amendments to the articles of incorporation and increases in capital.

B. Gesellschaft mit beschraenkter Haftung (G.m.b.H.)

1. "Gesellschaft mit beschraenkter Haftung" may be literally translated as "company with limited liability," but ordinarily it

is referred to in the documents by the German abbreviation "G.m.b.H." The G.m.b.H. was originally designed to give smaller businesses a possibility of operating with limited liability. The minimum required capitalization was only 20,000 marks. The formalities of forming a G.m.b.H. are simpler than in the case of an A.G. The participant's interest in the G.m.b.H. is usually not made evident by written instrument, and if it is, such an instrument is not readily negotiable.

2. The management of the G.m.b.H. is vested in one or more persons called "Geschaeftsfuehrer" (business manager). There is no Vorstand, and an Aufsichtsrat is not prescribed by law. If there is an Aufsichtsrat, the statute provides that it shall be governed by the rules applying to the Aufsichtsrat of an A.G. unless the articles of incorporation provide to the contrary. The supervisory body performing the functions of an Aufsichtsrat in a G.m.b.H. may be called a "Verwaltungsrat" (administrative council) or a "Beirat" (advisory council). The difference is principally one of name only. A number of the subsidiary corporations which Farben owned or controlled were G.m.b.H.'s with an Aufsichtsrat. For example, Bunawerke G.m.b.H.; Anorgana G.m.b.H.; and Chemische Werke Huels G.m.b.H. In the occupied parts of the Soviet Union, special corporations were established to undertake production. Ordinarily such corporations were G.m.b.H.'s with a Verwaltungsrat. Among such special corporations in which I.G. Farben held a substantial participation were the Chemie Ost G.m.b.H. and the Stickstoff Ost G.m.b.H. After Farben acquired title to the large Polish dyestuff plant "Boruta" in occupied Poland, the subsidiary corporation formed to operate the plant was the Teerfarbenwerke Litzmannstadt G.m.b.H.

C. Bergrechtliche Gewerkschaft

1. This type of corporation was exclusively established for mines, under the mining law. A number of the mining enterprises owned and controlled by I.G. Farben adopted this corporate form. (For example, Gewerkschaft Auguste-Victoria and Gewerkschaft Klara-Verein). The shares (usually 1,000 in number) were called "Kuxe" which represented a fraction of the corporation's assets but had no nominal or par value. The shareholder ("Gewerke") was not personally liable to the corporation's creditors. The Gewerkschaft obtained capital by assessing its members who, however, had the right to escape such liability by surrendering their shares. The Gewerkschaft is managed by a Vorstand and it *may* have an Aufsichtsrat.

III. Forms of German Enterprise Which Are Not Juristic Persons

A. Offene Handelsgesellschaft (*o.H.G.*)

1. This form of enterprise corresponds essentially to the American general partnership. Generally each partner has power to act for the partnership and is personally liable for partnership debts. The o.H.G. was used seldom, if at all used, by I.G. Farben.

B. Kommanditgesellschaft (*K.G.*)

1. This corresponds to the American limited partnership. The general partner has the exclusive right and power to represent and manage the partnership. The general partner of the American law is called under German law the "Komplementaer" or the "persoenlich haftender Gesellschafter" ("personally liable partner"). The limited partner is called "Kommanditist." This form of business enterprise was used occasionally by I.G. Farben, which owned or held substantial participations in a number of K.G.'s including Kluesser & Co., K.G.; Bourjau & Co., K.G.; Kupferhuette Ertel, Bieler & Co., K.G., and Friedrich Uhde, K.G.

IV. Combinations of German Business Enterprises

1. Combinations of business enterprises in Germany are much more predominant than in the United States. Combination was sometimes compulsory. Under German law and business practice there were numerous forms of combines of business enterprises, among them the following:

A. "Konzern" (Concern)

1. This was defined in German corporation law as a group of legally separate enterprises which, functionally, were under unified direction. I.G. Farben was sometimes referred to as a "Konzern," particularly because it included a large number of legally separate enterprises and possibly because it included, after 1925, a number of large enterprises which previously were separate legal entities.

B. "Interessengemeinschaft"

1. This means literally a "community of interests." A community of interests usually consisted of an agreement on such matters as pooling of profits; coordination of production and research; division of markets; determination of prices; and patent practices. Between 1916 and 1925, eight major German chemical firms were bound together in a community of interests, often referred to as the old "I.G." (for "Interessengemeinschaft").

This was probably the outstanding example of a community of interests—and when six of these firms finally merged in an A.G., the new corporate name became "I.G. Farbenindustrie A.G.," literally meaning "Community of Interests of the Dye Industry, Inc." Two other firms retained legally separate form, although they were controlled and principally owned and controlled by I.G. Farben (Kalle & Co., and Casella & Co. Casella was finally liquidated about 1937).

C. "Kartell" (Cartel)

1. This is a combination of independent business units for the purpose of influencing the market by eliminating or regulating competition among themselves.

D. "Syndikat" (Syndicate)

1. This is a type of cartel with a centralized sales and control organization, the latter usually in the form of an A.G. or G.m.b.H. I.G. Farben was a member of a number of syndicates of considerable importance. For example, the Stickstoff-Syndikat G.m.b.H. was the German nitrogen syndicate for the determination of production quotas as well as for sales of nitrogen in Germany.

E. Special Statutory Cartels

1. In some instances cartels were created by special statutory provisions giving them official regulatory powers and making membership compulsory for all members of an industry. An outstanding example is found in the compulsory coal syndicates created by a law of 23 March 1919, which replaced the former voluntary syndicates. I.G. Farben completely owned a number of coal corporations. (For example, Gewerkschaft Auguste-Viktoria, Deutsche Grube A.G., Gewerkschaft Klara-Verein.) I.G. Farben also had a community of interests agreement with Riebeck'sche Montanwerke A.G. by which I.G. Farben guaranteed the dividends of the Riebeck'sche Montanwerke A.G. and under which I.G. Farben could cause the conversion of all Riebeck'sche shares into IG shares. These mining corporations were required to belong to the German coal syndicates. The function of the syndicate, ordinarily set up on a regional basis, was to buy all coal production within the area and to provide a central sales organization. At the same time the syndicate exerted broad control over production. The influence of the individual producer as a member of the syndicate depended upon his share in the total production. The Minister of Economics possessed a veto over the actions and resolutions of the coal syndicates.

F. Corporate Affiliations under German Tax Law (the "Schachtel-Privileg")

1. This does not refer to a separate form of combination of business enterprises but to a concept of German income tax law for corporations. Dividends received by a corporation from another corporation in which it holds at least 25 percent of the stock are exempt from income taxation. The same principle applies to the property tax with respect to the ownership interest in a subsidiary.

C. Bylaws for the Vorstand of I.G. Farben

TRANSLATION OF DOCUMENT NI-8934
PROSECUTION EXHIBIT 337

Bylaws

for the Vorstand of

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

The Aufsichtsrat of I.G. Farbenindustrie Aktiengesellschaft issues, in accordance with par. 12 (3) of the articles of incorporation, the following bylaws for the Vorstand, which take the place of the extant bylaws.

Par. 1

The Vorstand conducts the business of the Corporation in accordance with the prescriptions of law, of the articles of incorporation and the following bylaws.

Par. 2

The chairman shall as a rule call together the full Vorstand (Gesamtvorstand) about once a month for a general session. At these conferences each Vorstand member shall make a report on the matters specified below as requiring (Vorstand) approval. It is further the duty of every Vorstand member to call attention to matters, the knowledge of which is of importance to the other Vorstand members, especially as it may facilitate for the latter the over-all appraisal (Ueberblick) of the entire business (Gesamtgeschaeft).

Par. 3

(1) The various Vorstand members shall, as a rule, submit particularly important matters, which go beyond the framework of the ordinary business conducted, to the full Vorstand (Gesamt-

vorstand) for decision. The matters described in Par. 4 (2) are to be submitted to the chairman of the Vorstand for disposition in the Central Committee (Zentralausschuss).

(2) As example—although by no means exhaustive—a number of matters might be enumerated, each mostly—that is to say not always—to be regarded as particularly important and going beyond the framework of the ordinary business conducted:

(*a*) purchase and sale of real estate and buildings;

(*b*) erection of manufacturing and selling facilities, branches and agencies within Germany and abroad;

(*c*) closing or reduction of establishments [Betriebe];

(*d*) participation in other enterprises and abandonment of such participations;

(*e*) purchase and sale of patents, licenses and manufacturing secrets (Fabrikationsgeheimnisse);

(*f*) conclusion, prolongation and abandonment of cartel agreements, syndicates, conventions, communities of interests (Interessengemeinschaften) and so forth;

(*g*) conclusion and abandonment of collaboration agreements;

(*h*) other matters, which require expenditure of funds [sonstige Angelegenheiten, die Geldmittel erfordern].

(3) A Vorstand member is permitted, as an exception, to act on his own in dealing with a matter which ordinarily would require [Vorstand] approval [genehmigungsbeduerftig], if serious disadvantages would otherwise threaten. Whether such a case has arisen, must be decided by the Vorstand member concerned in accordance with the duties entrusted to him (pflichtmaessig). In the next session of the full Vorstand [Gesamtvorstand], a report is to be made concerning such independent action.

Par. 4

(1) From among the circle of Vorstand members, a Central Committee [Zentralausschuss] is formed, whose members are appointed by the Aufsichtsrat and whose chairman is the chairman of the Vorstand.

(2) The Central Committee [Zentralausschuss] deals with and decides the following matters:

(*a*) important personnel matters, especially the appointment of directors as well as the granting of procuration and power of attorney [Handlungsvollmacht];

(*b*) matters requiring particularly confidential treatment;

(*c*) matters requiring particularly urgent handling;

(*d*) basic organizational questions;

(*e*) contributions, insofar as a clearly defined [begrenzt] inde-

pendent authority for making contributions has not been conceded to various offices of the Corporation.

(3) Particularly important matters, even if they are not among those enumerated above, may be dealt with in preliminary fashion by the Central Committee [Zentralausschuss] and then be submitted for final decision to the full Vorstand [Gesamtvorstand]. In every session of the full Vorstand a report is to be made, unless very exceptional reasons make this appear inadvisable, concerning the negotiations and decisions of the Central Committee since the last session of the full Vorstand.

Par. 5

Invitations to attend the sessions of the full Vorstand and of the Central Committee are to be sent to the chairman of the Aufsichtsrat, who has the right to participate in these sessions in an advisory capacity [mit beratender Stimme].

Par. 6

It is desirable that in the sessions of the full Vorstand and of the Central Committee, all resolutions are passed unanimously; but if such unanimity cannot be obtained in some instance, the majority of the members present will decide. In case of a tie-vote, the vote of the chairman is deciding.

Par. 7

Except in the cases provided for by law and in the articles of incorporation, the Vorstand must obtain the assent of the Aufsichtsrat for the undertaking of loans [zur Aufnahme von Anleihen].

The Aufsichtsrat may resolve that further kinds of business require its consent.

December 1938

D. Testimony of Defendants von Knieriem and Ilgner

I. TESTIMONY OF DEFENDANT VON KNIERIEM

[Statement from the judgment concerning the personal history, positions, and affiliations of defendant August von Knieriem:

"VON KNIERIEM, August: Born 11 August 1887, in Riga, Latvia. Lawyer. From 1926 to 1931, deputy member of Vorstand; 1931–1945, full member of Vorstand, and occasionally guest at meetings of Aufsichtsrat; 1931–1938, member of Working Committee; 1938–1945, member of Central Committee; 1931–1945, guest at meetings of Technical Committee; 1933–1945, chairman of Legal Committee and Patent Commission; self-styled "principal attorney" of Farben; member of the Aufsichtsrat in several Farben enterprises and in two Dutch firms at The Hague.

"Member of Nazi Party, German Labor Front, National Socialist Lawyers' Association; member of 4 committees and several sub-committees of the Reich Group Industry dealing with law, patents, trademarks, market regulations, etc.; member of a large number of professional associations."]

EXTRACT FROM THE TESTIMONY OF DEFENDANT VON KNIERIEM*

REDIRECT EXAMINATION

JUDGE HEBERT: Dr. von Knieriem, I have one or two questions. Were votes ever taken at meetings of the Farben Vorstand?

DEFENDANT VON KNIERIEM: I cannot remember that a formal taking of votes had ever taken place. There may perhaps have been one exception. We may have once done that when the contract between I.G. Farben and I.G. Chemie was dissolved, but I am not quite sure about that.

Q. Then, under the practice of not taking votes at the Vorstand meetings, was it commonly understood by members of the Vorstand that when a report was made, if dissent was not expressed, that that amounted to Vorstand approval of the policy or action reflected in that report?

A. Yes, that's to be assumed. That is, based upon the information of the various Vorstand members resulting from any report.

Q. Would the situation be generally the same with respect to the TEA?

A. Yes, if any decisions were reached in the TEA and if there was no dissenting opinion, the situation would have remained the same.

Q. If an important difference of policy arose within Farben, where did the responsibility for resolving that difference of opinion lie?

A. According to the bylaws of the Vorstand, one could take a vote and the majority would decide and, if the votes were equal, that party became decisive which had the vote of the president [chairman].

Q. Are you referring now to a vote in the Vorstand?

A. Yes.

Q. But you recall only one instance in which there was a vote. I think that's all the questions I have.

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* Complete testimony is recorded in the mimeographed transcript, 5, 6, 9, and 10 February 1948, pp. 6485–6715. Further extracts from the testimony are reproduced below in sections VII I 6*b*; VII K 3*b*; VII L 3*b*; VII M 6*b*.

2. TESTIMONY OF DEFENDANT ILGNER

[Statement from the judgment concerning the personal history, positions, and affiliations of defendant Max Ilgner:

"*ILGNER, Max*: Born 28 June 1899, in Biebesheim, Hesse. Doctor of political science. From 1934 to 1938, deputy member of Vorstand; 1938–1945, full member of Vorstand; 1933–1938, member of Working Committee; 1937–1945, member of Commercial Committee; 1926–1945, chief of Farben's Berlin NW 7 office; chairman of Southeast Committee; manager of Schkopau Bunawerke, deputy manager of Ammoniakwerk, Merseburg; officer or member of supervisory groups of 14 concerns in 7 countries, including American I. G. Chemical Corporation, New York.

"In 1937, became member of Nazi Party; member of German Labor Front, NSKK, [National Socialist Motor Corps] National Socialist Reich Soldier's Association; Military Economy Leader; chairman or member of 7 advisory committees to the government; officer or member of 41 chamber of commerce and economic associations, and of 21 societies and clubs in Germany and abroad; holder of a half-dozen decorations from World War I, including the Iron Cross and Hesse Medal for Bravery, and of orders of distinction from various other governments."]

EXTRACTS FROM THE TESTIMONY OF DEFENDANT ILGNER*

DIRECT EXAMINATION

* * * * * * *

DR. NATH (counsel for defendant Ilgner): I merely ask you to tell the Tribunal in a few short words your career in Farben.

* * * * * * *

DEFENDANT ILGNER: In the spring of 1934, I became a deputy Vorstand member; and in the spring of 1938, the difference between regular Vorstand members and deputy Vorstand members was abolished in Farben, and thus I automatically became a regular Vorstand member.

Q. Dr. Ilgner, when in 1934, as you have just said, you became a deputy Vorstand member, did you have the same rights as any other Vorstand member?

A. Legally I did have them, but actually I did not.

Q. How were the varying rights of the Vorstand members illustrated; how did they differ?

A. First of all, in pay. Then, at that time, the Working Committee of the Vorstand was still in existence. Although since 1932–1933 I had, in my capacity of Prokurist and titular director, participated in these meetings as a permanent guest, I was not a member; at least I was not appointed a member.

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* Complete testimony is recorded in the mimeographed transcript, 16, 17, 18, 19, and 22 March 1948, pp. 9252–9287; 9377–9431; 9465–9583; 9618–9706; and 9733–9769. Further extracts from the testimony are reproduced below in sections VII D 4*b*, VII B 7*c*, and in sections VIII C 3 and VIII E 4, vol. VIII, this series.

Q. What functions did the Working Committee have?

A. It was, so to speak, the executive committee of the Vorstand.

Q. Was that the top board of Farben?

A. No. The top boards of Farben were the Verwaltungsrat—I would call it the executive committee of the supervisory board—and the Central Committee; but the significance of the latter was different at various times.

Q. In your capacity as a member of the Vorstand, did you have any other Vorstand member over you as your superior?

A. Again the answer is legally not, but actually I did.

Q. Would you explain that, please?

A. While I was a deputy Vorstand member, that is until the summer of 1938, Geheimrat Schmitz, of course, was my superior. After 1938, that is after I had become a regular Vorstand member, the procedure was a little different, but of course even then Geheimrat Schmitz was still the decisive person if I had anything to submit to him.

Q. How about the voting in the Vorstand?

A. This has already been discussed repeatedly here; I want to add that not only was there no voting in the Vorstand, but we never had the idea of holding any vote in the Vorstand.

Q. Why was that?

A. My impression is that in this trial one has a completely wrong picture of the meaning of the Vorstand of Farben. We were *de facto* not one single stock corporation; we were a number of stock corporations. In my opinion, the corporation law didn't fit Farben any more; we had become too large for that. There were only two possibilities for us. Either to split up Farben—and Mr. von Knieriem has already said here that a definite plan to this end existed—or a new corporation law had to be introduced in Germany, a law for Konzerns; but the Nazis would not have done this because they wanted to nationalize us, as can be seen from point 13 of the Party Program, or they wanted to dissolve us altogether after the war.

Q. What was the character of the Vorstand meetings?

A. I am not a lawyer; for that reason I want to explain this according to my common sense. It is hard to define. I would say that they were a mixture of Aufsichtsrat meetings, with the character of reporting to a committee, and at the same time had the function of a clearing agency. Anybody who had anything of fundamental significance to report or who believed that he needed approval for some important matter, put this on the agenda.

Q. Did the Vorstand discuss the most important things, besides routine matters?

A. No, that is not true; in any case, not all of them. There were many old standard fields that were often reported on only rarely; in many cases these were well-established fields that were running by themselves, so to speak, which were directed by the numerous competent technical boards autonomously. On the other hand, sometimes relatively unimportant (in the sense of monetary value) questions were brought up because of their novelty or because of their fundamental significance.

Q. Did the individual Vorstand member report these matters by desiring all the participants to criticize what he had to say, or did he report in such a way that all his colleagues should assume that everything that he reported on had been thoroughly checked and sufficiently weighed and that they could then agree to what he said, unless there were some fundamental misgivings about it; is that correct?

A. The latter, of course, was the case. For instance, a commercial man would consider himself presumptuous if he were to criticize a technical plan that had passed a whole number of technical commissions, committees, and subcommittees, and consequently had been investigated several times as to the most varying aspects. I, myself, would have been very astonished, in my capacity of a commercial man, if a technical expert made fundamental statements about questions of finance; that was not the function of the Vorstand meeting.

Q. But it could happen, couldn't it, that some basic difference of opinion came up?

A. That really did not happen, or, it hardly ever happened, because all offices that had to do with one and the same thing had already voted on it previously. If, nevertheless, some difference did arise, then that was really a breakdown in the system. Then the chairman tabled the question and the Vorstand members competent for this point convened after the Vorstand meeting for new deliberations.

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E. Extracts from the Law on Joint Stock Corporations (Company Partnerships), 30 January 1937

PARTIAL TRANSLATION OF DOCUMENT NI-10037
PROSECUTION EXHIBIT 387

EXTRACTS FROM THE LAW ON JOINT STOCK CORPORATIONS (COMPANY PARTNERSHIPS) 30 JANUARY 1937, TAKEN FROM REICHSGESETZBLATT DATED 4 FEBRUARY 1937

(Reich Law Gazette [Reichsgesetzblatt] 1937, Part I No. 15—Date of issue: 4 February 1937)

LAW ON JOINT STOCK CORPORATIONS AND JOINT STOCK CORPORATIONS EN COMMANDITE [GESETZ UEBER AKTIENGESELLSCHAFTEN UND KOMMANDITGESELLSCHAFTEN AUF AKTIEN] (STOCK CORPORATION LAW)

30 January 1937

The Reich Government has adopted the following law which is proclaimed herewith:

First Book

JOINT STOCK CORPORATION [AKTIENGESELLSCHAFT]

* * * * * * *

Fourth Part

CONSTITUTION OF THE JOINT STOCK CORPORATION

First Section

Vorstand

Par. 70

Management of the Joint Stock Corporation

(1) The Vorstand has to manage the corporation on its own responsibility in such a way as the welfare of the enterprise and its staff [Gefolgschaft] and the commonweal [der gemeine Nutzen] of nation and Reich require it.

(2) The Vorstand may consist of one or several persons. Should a member of the Vorstand be appointed chairman of the Vorstand, it is for him to decide on differences of opinion in the Vorstand, unless the articles of incorporation stipulate otherwise.

Par. 71

Representation of the Joint Stock Corporation

(1) The joint stock corporation is represented by the Vorstand in legal and extra-judicial matters.

(2) In case the Vorstand consists of several members, only all Vorstand members jointly are entitled to make declarations (Willenserklaerungen) and to sign for the corporation, unless the articles of incorporation stipulate otherwise. The Vorstand can authorize individual Vorstand members to transact certain business or certain kinds of business. If a declaration has to be made to the corporation, it is sufficient to make it to one of the Vorstand members.

(3) The articles of incorporation can also stipulate that individual Vorstand members alone, or together with a Prokurist, shall be authorized to represent the corporation. The Aufsichtsrat can determine the same if the articles of incorporation have thus authorized it. Subparagraph (2), sentence 2 and 3, applies to these cases accordingly.

Par. 72

Signing by the Vorstand

The Vorstand has to sign in a manner that the persons who are signing add their own signatures to the firm (name) of the corporation or to the designation of the Vorstand.

Par. 73

Change of the Vorstand and of the Representative Authority of its Members

(1) The Vorstand has to announce for entry into the commercial register (zur Eintragung in das Handelsregister) each change of the Vorstand, or of the representative authority of a Vorstand member, as well as any ordinance of the Aufsichtsrat, according to par. 71, sub-paragraph 3, sentence 2.

(2) The documents concerning the change or ordinance are to be added to the announcement in the original, or in a publicly certified copy for the court at the seat of the corporation.

(3) The new Vorstand members have to affix their signatures for custody [zur Aufbewahrung] in the court.

Par. 74

Limitation of the Representative Authority

(1) The Vorstand, in relation to the corporation, is obliged to observe the limitations which the articles of incorporation or

the Aufsichtsrat have established for the extent of its representative authority, or which derive from a resolution of the stockholders' meeting according to par. 103.

(2) A limitation of the representative authority of the Vorstand is ineffective in relation to third parties.

Par. 75

Appointment and Revocation of the Vorstand

(1) The Aufsichtsrat appoints Vorstand members for not more than five years. A repeated appointment is admissible. A juristic person cannot be appointed as Vorstand member. This applies in the same sense [sinngemaess] to the employment agreement.

(2) If several persons are appointed Vorstand members, the Aufsichtsrat may appoint one member as chairman of the Vorstand.

(3) The Aufsichtsrat can revoke the appointment (Bestellung) as Vorstand member and the appointment (Ernennung) as chairman of the Vorstand for just cause (wichtiger Grund). Such causes are, specifically, gross violation of duties or inability for orderly management. This applies also to the Vorstand appointed by the first Aufsichtsrat. The revocation is effective, as long as no absolute decision has determined its inefficacy. For the rights deriving from the employment agreement, the general regulations are applicable.

Par. 76

Appointment by the Court

As far as the Vorstand members necessary for representation of the corporation are lacking, the court may appoint them in urgent cases upon request of a person concerned (Beteiligter) for the period until the removal of the deficiency.

* * * * * * *

Par. 81

Report to the Aufsichtsrat

The Vorstand must report to the Aufsichtsrat regularly, at least quarterly, on the course of business and the situation of the enterprise, as well as make reports in important matters, orally or in writing, to the chairman of the Aufsichtsrat or his deputy. The report must conform to the principles of a conscientious and faithful account.

Par. 82

Bookkeeping

The Vorstand has to take care that the required ledgers (Handelsbuecher) are kept.

Par. 83

Duties of the Vorstand in case of loss, excessive indebtedness or insolvency of the corporation

(1) If, during the compilation of the annual balance sheet or of an interim balance sheet, it appears probable, under dutiful judgment, that a loss amounting to half of the capital [Grundkapital] exists, the Vorstand must immediately call a shareholders' meeting and inform the meeting of this.

(2) If the company becomes insolvent, the Vorstand must, without culpable delay, but not later than three weeks after the beginning of the insolvency, file notice for the institution of bankruptcy proceedings or judicial arbitration. This applies, accordingly, if the assets of the corporation no longer cover the liabilities. There is no culpable delay in the filing of the notice if the Vorstand attempts to effect the opening of the settlement proceedings with the care of an honest and conscientious business manager.

Par. 84

Obligation to Exercise Proper Care, and Liability of the Vorstand Members

(1) In their management of the business the Vorstand, members must exercise the care of an honest and conscientious business manager [Geschaeftsleiter]. They must keep silent [Stillschweigen bewahren] regarding confidential matters.

(2) Vorstand members who violate their duties are obliged to indemnify the corporation for the resulting damage as jointly liable parties [Gesamtschuldner]. They must prove that they have exercised the care of an honest and conscientious business manager.

(3) The Vorstand members are liable to make restitution [zum Ersatz verpflichtet] especially if, contrary to this law,

1. refunds on capital investments are granted to the stockholders,

2. interest or profit percentages are paid out to the stockholders,

3. shares of the corporation or of another corporation are subscribed to, acquired, taken as security, or recalled,

4. shares are issued before full payment of their par value or of their higher issuance price,

5. the assets of the corporation are distributed,

6. payments are made, after the corporation has become insolvent, or after its over-indebtedness has become manifest; this does not apply to payments which, even after this time, are consistent with the care of an honest and conscientious business manager,

7. credit is granted,

8. in the event of a conditional increase of capital, warrant shares [Bezugsaktien] are issued outside of the fixed purpose, or before full payment of the price.

(4) No liability to restitution with regard to the corporation is incurred, if the operation is based upon a lawful decision of the stockholders' meeting. The fact that the Aufsichtsrat approved the action does not preclude the liability to restitution. The corporation can forego its claim for restitution only after 5 years from the origin of the claim, or make an arrangement in regard to it only if the stockholders' meeting agrees and a minority, whose shares amount to the fifth part of the capital [Grundkapital], does not object. The restriction as to time does not apply if the person liable to make restitution is insolvent and makes an arrangement with his creditors for averting or removing the bankruptcy proceedings.

(5) The corporation's claim to restitution can also be made effective [geltend gemacht werden] by the creditors of the corporation, insofar as they cannot obtain satisfaction from same. This, however, applies in cases other than those mentioned in subparagraph 3, only if the Vorstand members have grossly violated the care of an honest and conscientious business manager; subparagraph 2, sentence 2, applies correspondingly. As regards the creditors, the obligation to restitution is not discontinued either by renunciation or agreement [Vergleich] (on the part) of the corporation, or by the fact that the action is based on a decision of the stockholders' meeting, or that the Aufsichtsrat has approved the action. If bankruptcy proceedings have been instituted on the assets of the corporation, the trustee in bankruptcy [Konkursverwalter] exercises, for their duration, the rights of the creditors against the Vorstand members.

(6) Claims originating from these provisions come under the statute of limitations after 5 years.

Par. 85

Deputies of Vorstand Members

The provisions concerning Vorstand members apply also to their deputies.

Second Section

Aufsichtsrat

Par. 86

Composition of the Aufsichtsrat

(1) The Aufsichtsrat consists of three members. The articles of incorporation may establish a higher number. The following is the maximum number of Aufsichtsrat members: In corporations with a capital [Grundkapital]

up to	3 000 000	reichsmark	seven
of more than	3 000 000	reichsmark	twelve
of more than	20 000 000	reichsmark	twenty

It is possible for the Reich Minister of Economics, in agreement with the Reich Minister of Justice and with the other Reich Ministers concerned, to grant exceptions if the welfare of the corporation or interests of the entire economy demand it.

(2) A juristic person cannot be an Aufsichtsrat member. Furthermore, anyone who is already an Aufsichtsrat member in ten joint stock corporations or joint stock corporations en commandite [Aktiengesellschaften or Kommanditgesellschaften auf Aktien] cannot be a member. Insofar as it appears necessary for the sufficient safeguarding of the economic interests of the Reich, of the Laender Gemeindeverbaende, or Gemeinden, or of economic enterprises, the Reich Minister of Justice in agreement with the Reich Ministers concerned may issue different regulations and instructions.

Par. 87

Election and Recall

(1) The Aufsichtsrat members are elected by the stockholders' meeting. No Aufsichtsrat member can be elected for a period extending beyond the close of that stockholders' meeting which decides on the discharge for the fourth business year after the election; in this connection, the business year in which the election takes place is not counted.

(2) The appointment as Aufsichtsrat member can be recalled before the expiration of the period of appointment by the stockholders' meeting. The resolution requires a majority which includes at least three-quarters of the votes cast. The articles of incorporation may replace this majority by another and may establish still other requirements.

(3) The appointment of the first Aufsichtsrat is valid until the close of the first stockholders' meeting which takes place after the

end of one year from the entry of the corporation in the commercial register for adoption of a resolution on the discharge. It may be recalled before that time by the stockholders' meeting with simple majority vote.

* * * * * * *

Par. 95

Duties and Rights of the Aufsichtsrat

(1) The Aufsichtsrat has to supervise the management [Geschaeftsfuehrung].

(2) The Aufsichtsrat can demand at any time from the Vorstand a report on the affairs of the corporation including its relationship with an enterprise of the Konzern. An individual member too may demand a report, though only (one) made to the Aufsichtsrat as such. Should the Vorstand decline making such a report, the report can be requested only if the chairman of the Aufsichtsrat endorses the demand.

(3) The Aufsichtsrat may inspect the books and correspondence of the corporation, as well as the assets [Vermoengensgegenstaende], particularly the funds [Gesellschaftskasse] and the holdings of securities and merchandise; it can also commission individual members or, for specific tasks, special experts for this work.

(4) The Aufsichtsrat has to convoke a stockholders' meeting, if the welfare of the corporation requires it.

(5) The execution of measures pertaining to the management cannot be transferred to the Aufsichtsrat. The articles of incorporation, or the Aufsichtsrat may specify, however, that certain kinds of business shall be undertaken only with its consent.

(6) The Aufsichtsrat members cannot have their duties carried out by others.

Par. 96

Report to the Stockholders' Meeting

(1) The Aufsichtsrat has to examine the annual balance sheet, the proposal for the distribution of profits, and the annual report, and to give an account on these to the stockholders' meeting.

(2) In its report, the Aufsichtsrat has to state in what way and to what extent it has examined the management of the corporation during the business year, which office has examined the annual balance sheet and the annual report, and whether these examinations have given rise to any serious objections.

Par. 97

Representation of the Corporation

(1) The Aufsichtsrat is authorized to represent the corporation in the undertaking of legal transactions with the Vorstand members and to conduct against these the legal actions decided upon by the stockholders' meeting.

(2) If the liability [Verantwortlichkeit] of one of its members is in question, the Aufsichtsrat may bring action against the Vorstand members without, or even against, the resolution of the stockholders' meeting.

* * * * * * *

Par. 99

Obligation to Exercise Care and Liability of the Aufsichtsrat Members

Par. 84, concerning the obligation to exercise care, and liability of the Vorstand members, applies accordingly to the obligation to exercise care, and liability of the Aufsichtsrat members.

* * * * * * *

Berlin, 30 January 1937

The Fuehrer and Reich Chancellor
Adolf Hitler
The Reich Minister of Justice
Dr. Guertner

F. Commentary on the Law on Joint Stock Corporations by Officials of the Reich Ministry for Justice, 1939

PARTIAL TRANSLATION OF DOCUMENT NI-10159
PROSECUTION EXHIBIT 388

PUBLISHED COMMENTARY ON THE LAW OF JOINT STOCK CORPORATIONS (30 JANUARY 1937) BY OFFICIALS OF REICH MINISTRY FOR JUSTICE (3d EDITION, 1939).

STOCK CORPORATION LAW

Law on Joint Stock Corporations [Aktiengesellschaften] and Joint Stock Corporations en Commandite [Kommanditgesellschaften auf Aktien] of 30 January 1937

Commentary

by

Dr. Franz Schlegelberger
Staatssekretaer

Leo Quassowski
Ministerialdirektor

Gustav Herbig
Amtsgerichtrat

Ernst Gessler
Landgerichtsrat

Wolfgang Hefermehl
Landgerichtsrat

all in the Reich Ministry of Justice

Third supplemented and expanded edition

Berlin 1939

Publisher Franz Vahlen

* * * * * * *

2. The basic duties of the Vorstand

The exclusive right of the Vorstand to manage the corporation establishes for it also the duty of management.* The Vorstand, with the care of an honest and conscientious business manager (par. 84, subpar. 1), is to further the corporation to the best of its ability and to attend to the protection of its interests. *To the interests of the corporation belong* not only the interests of the enterprise "as such," but also *the interests of the stockholders* as "proprietors" of the enterprise (cf. official explanation). While

* Reference is made to the Law on Joint Stock Corporations and Joint Stock Corporations en Commandite (Aktiengesellschaften and Kommanditgesellschaften auf Aktien) of 30 January 1937 (NI-10037, Pros. Ex. 387), extracts of which are reproduced in subsection E immediately above.

the previous law proceeded from the unilateral duty of the Vorstand to care for the interests of the corporation, and therewith laid the foundation for a purely capitalistic policy of (vested) interests, the new law establishes a *supreme rule* of *conduct* for the management of the corporation, based on the National Socialist principle that community interests precede the interests of the individual, making this principle an integral part of the law of the capitalistic type of enterprises. The Vorstand is to manage the corporation in such a way *as the welfare of the enterprise and of its staff* [*Gefolgschaft*] *and the common interest of people and Reich require it.* This command characterizes the spirit of the new law. It establishes for the management of the corporation two absolute postulates [unabdingbare Forderungen]: a *social-political one,* concerning the welfare of the enterprise and its workers, and an *economic-political* one, concerning the common interest of people and Reich. The fulfilment of these postulates belongs, in the National Socialist State, to the basic duties of the Vorstand. If these duties, which are inseparably bound up with each other, are not adhered to, the principles of responsible economic leadership [verantwortungsbewusste Wirtschaftsfuehrung] are violated. If a corporation endangers the *common welfare* through the conduct of its Vorstand, which grossly violates the duties prescribed by par. 70, subpar. 1, the corporation itself can be *dissolved—imposing the most severe sanction—without indemnification* by the Reich Economic Court [Reichswirtschaftsgericht] upon request of the Reich Minister of Economics [Reichswirtschaftsminister] (par. 288).

The following significance in particular is attributed to the basic duties of the Vorstand:

a. The social duties.

In managing the corporation, the Vorstand is to take care of the welfare of the enterprise and its staff [Gefolgschaft]. By *Gefolgschaft* are meant not the stockholders, but the workers and employees of the enterprise who, according to pars. 1 and 2 of the Law for the Regulation of National Labor [Arbeitsordnungsgesetz], constitute, together with the employer as the leader of the enterprise, the enterprise community [Betriebsgemeinschaft]. *The Vorstand, as legal representative* of the Aktiengesellschaft (par. 71, subpar. 1), is basically, by virtue of its intrinsic powers [kraft eigenen Rechts], also *the leader of the enterprise* in the sense of the labor law [im arbeitsrechtlichen Sinn] (par. 3, subpar. 1). The economic-political and social-political management of the corporation are thus in one hand (cf. hereto: Mansfeld ZAKDR 37, 628; Siebert NS-Sozialpolitik 37, 411 sqq; Hueck-

Nipperdey-Dietz Komm., 2d Ed., note 7 to par. 1). If the Vorstand consists of one person, he alone is the leader of the enterprise; if the Vorstand consists of several persons, then, in the case of joint representation [Gesamtvertretung], the several members together, and in the case of individual representation, each individual member, are to be regarded as leader of the enterprise (cf. decree of the Reich Minister of Labor of 1 March 1934—III b No. 2402—RABL [Reich Labor Gazette], 1934 I, 62; Mansfeld-Pohl, commentary to the AOG [Arbeitsordnungsgesetz], note 2*a* to par. 3). According to par. 3, subpar. 2, AOG, it is possible, in the case of several persons constituting the leader(ship) of an enterprise, for one of the Vorstand members (e.g., the chairman of the Vorstand) or for another person participating responsibly in the management of the enterprise (e.g., an executive employee) to be invested with the representation; this must take place when not all the Vorstand members are managing the enterprise. The difficulties resulting from a Vorstand with multiple membership [mehrgliedriger Vorstand] can thereby be easily removed. *Another* leader of the enterprise must, however, be appointed if, according to par. 38, AOG [Arbeitsordnungsgesetz], he is deprived with full legal effect [rechtskraeftig] by the social Court of Honor [soziales Ehrengericht] of his qualifications as enterprise leader [Betriebsfuehrer] (par. 3, subpar. 3, AOG). Only in such a case it could happen that theoretically, the position of manager of the corporation [Leiter der Gesellschaft] and the position of leader of the enterprise [Fuehrer des Betriebs] are separated. The conviction with full legal effect of a Vorstand member by the social Court of Honor will always constitute an *important reason* for the recall of the member concerned and (will) obligate the Aufsichtsrat, to revoke the appointment as Vorstand member, as provided for in par. 75, subpar. 3.

The social duty generally imposed on the Vorstand for the welfare of the enterprise and its workers [Gefolgschaft] is specially emphasized in a number of *individual provisions of the law.* The participation in the profits by the Vorstand and Aufsichtsrat members must be in appropriate proportion to the voluntary social (welfare) contributions of the corporation (par. 77, subpar. 3). Thereby the result is obtained that the workers [Gefolgschaft], who likewise have contributed to the attaining of the net profits, also will receive their rightful share. In case of a substantial deterioration in the affairs of the company, the Vorstand members also must submit to a reduction of their remuneration, in order that the economic and social balance will be restored. Beyond this, the Vorstand, according to par. 70, subpar. 1, generally is

bound to use its influence to secure a just pay policy of the corporation and to create healthy working conditions.

b. The politico-economic duties [die volkswirtschaftlichen Pflichten].

The Vorstand, in managing the corporation, is to take care of the common interests of people and Reich (cf. also par. 1, of the AOG [Arbeitsordnungsgesetz] concerning the enterprise leader [Betriebsfuehrer]). The corporation's economic policy must fall in line [sich eingliedern] with the German political economy [Volkswirtschaft]; the interests of the corporation are to be subordinated to those of people and Reich. The Vorstand is to make sure at all times, that the assets entrusted to it do not only pertain to the interests of the stockholders and creditors of the corporation, but that, at the same time, they are an integral part of our national property [Volksvermoegen], with the maintenance and growth of which the entire German nation is concerned. As trustee of the most precious parts of the national assets, the Vorstand has an extremely great responsibility.

The regard for the common interest of people and Reich, which is most clearly demonstrated by the revised conception of economics on the part of national socialism, and which is, in effect, the unwritten preamble to the Stock Corporation Law, is especially expressed in several individual provisions of the law (cf. particularly, par. 12, subpar. 2, concerning the admissibility of additional voting rights; par. 112, subpar. 3, concerning the refusal to impart information; par. 121, subpar. 3, covering the report by the special auditors [Sonderpruefer]; par. 128, subpar. 3, covering the annual report; and par. 288, concerning the state's right of dissolution [staatliches Aufloesungsrecht]). The common interests of people and Reich thus have become a rule of conduct [Richtschnur] for the interpretation of the whole law.

* * * * * * *

G. Legal Opinion of Defense Witness Schmidt on the Responsibility of Individual Members of the Managing Board of a Joint Stock Corporation

TRANSLATION OF DOCUMENT VON KNIERIEM 39
GENERAL DEFENSE EXHIBIT 280

EXPERT LEGAL OPINION OF DR. WALTER SCHMIDT, 3 MAY 1948

Dr. WALTER SCHMIDT
Attorney-at-Law and Notary Public

3 May 1948

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I have been asked by the defense in Case VI, Military Tribunals, Nuernberg (United States of America *versus* Carl Krauch *et al.*), (I.G. Farbenindustrie A.G.), to give an expert legal opinion on the following question:

What, in German corporation law, is the significance of a distribution between the various members of the Vorstand, of the functions of the Vorstand, with respect to the responsibility of individual Vorstand members for their conduct of business?

I have been asked to give an expert legal opinion on this subject because I have been working on the practical and theoretical problems connected with commercial law, and especially with laws relating to stock corporations, ever since I became an attorney, in 1919, and was made a partner of the well known experts on international commercial law, Geheimer Justizrat Maximilian Kempner and Justizrat Albert Pinner in Berlin. I should like to mention the following literary accomplishments:

(1) contributed to the 5th edition of Hachenburg's commentary on the law concerning Gesellschaften mit beschraenkter Haftung (Walter de Gruyter & Co., 1926/27);

(2) published a commentary on the decree on corporation law, dated 19 September 1931, in collaboration with Justizrat Dr. Albert Pinner and Dr. Heinz Pinner (Walter de Gruyter & Co., 1932);

(3) contributed to Staub's commentary on commercial law, vol. 2, Corporation Law, 14th edition (Walter de Gruyter & Co., 1933);

(4) revised the articles of incorporation of the Aktiengesell-

schaften in accordance with the new corporation law (Walter de Gruyter & Co., 1938);

(5) contributed to the commentary by the members of the Reichsgericht on the corporation law, dated 31 January 1937 (Walter de Gruyter & Co., 1939).

In this commentary I wrote, among other things, the sections in part 4 entitled "Constitution of the joint stock company" [Aktiengesellschaft], dealing with "Vorstand, Aufsichtsrat, and Hauptversammlung [stockholder's meeting]."

At present, I am an attorney and notary public to the Berlin courts.

Expert Legal Opinion

The opinion given on the question formulated above will be limited to the responsibility of the Vorstand members under *civil* law. The answer to the question under review is to be found in the cooperation act dated 30 January 1937 (Reich Law Gazette I, page 107).

It is laid down in Article 70 of the corporation act that the Vorstand shall manage the affairs of the company at its own responsibility. The law is therefore based on the principle that the Vorstand as a whole shall be held responsible for the conduct of the business of the company. A Vorstand consisting of several members is, therefore, on principle, to be held jointly responsible.

This so-called collective management has been described as an absurdity (Brodmann, German Commercial Code, art. 231, footnote 2), because it is impossible for the whole Vorstand always to carry out the many individual actions which make up the management of a firm. That is quite correct, but it is no reason why the *principle of collective management* should not be acknowledged. The task of the legal theorist as well as of the judge in court merely consists in reducing that principle, in its application to practical life, to its true proportions and, in particular, in limiting the responsibility of individual Vorstand members to the extent to which they can legitimately be made answerable. Legal theorists as well as judges in court have paid due attention to that consideration.

The standard by which the responsibility of the Vorstand members is judged is "the diligence of a good and conscientious business manager" (art. 24, par. 1, corporation law). The larger the enterprise and the more varied its activities, the greater is the need to divide the duties of its Vorstand members according to location and type of work. Were a Vorstand member to take upon himself the task of assisting in all the business and administration of a firm, which would exceed the limits of the ability and efficiency of any individual, the very fact of his taking on such responsibility

would constitute an offense against that "diligence of a good and conscientious business manager." The facts demand that the management of affairs be distributed among the Vorstand members and that the responsibility of the individual be limited.

The law imposes upon the Vorstand certain duties which cannot be delegated to individual members. Among them is the drawing up of the annual balance sheet (art. 125), the compilation of the annual report (art. 128), accounting (art. 82), and the compilation of reports to the Aufsichtsrat (art. 81). Even in this connection, however, a distinction should be drawn with regard to the degree of responsibility and liability of individual Vorstand members. Thus, a higher degree of responsibility for the details of financial policy will devolve upon these Vorstand members who have been put in charge of the accounting department of a firm than upon the other members who have been put in charge of problems connected with commerce or production, let alone those who are engaged in scientific research.

Apart from the cases in which, as mentioned above, the law imposes certain duties upon the Vorstand as a whole, the management of affairs may legitimately be distributed among the Vorstand members in accordance with legal practice, so that, in effect, every Vorstand member is solely responsible for the sphere of business entrusted to him, individual members being precluded from interfering with the spheres of business of other members. But that does not mean that Vorstand members cannot in any way be held responsible for spheres of business other than their own. They are responsible for mutual supervision and, in cases where the Vorstand itself distributes the management of affairs, for the choice of the right man. But where the bylaws, including the distribution among the Vorstand members of the management of affairs, are drawn up *by the Aufsichtsrat,* and where the latter appoints individual Vorstand members for the various offices, the Aufsichtsrat, and not the Vorstand members, will be held responsible for the choice of the right man.

Thus, the division of responsibility for the management of business affairs means that the duties of individual Vorstand members, with respect to spheres of business other than their own, assume a purely supervisory character (RGZ vol. 98, p. 100). A division of labor does not relieve the individual Vorstand member of this general duty, i.e., to supervise the other Vorstand members (Weipert, commentary on corporation law, art. 84, footnote 21). Such obligatory supervision cannot, however, be held to include detailed supervision of the activities of the other Vorstand members or interference with business management. That would in fact amount to rescinding the perfectly legitimate authorization

given to individuals to sign on behalf of the firm [Einzelgeschaeftsfuehrungsbefugnis], which the division of responsibility for the management of business affairs aimed to bring about. It is, however, the duty of the individual Vorstand member to observe unceasingly the general state of the business, in order to ensure that the others are doing their duty as well, and to take suitable measures in cases of dereliction of duty. The individual Vorstand member is entitled to confine his activities to his own sphere of business, and to keep strictly to the division of responsibility for the management of business affairs, so long as he considers his fellow business managers to be deserving of his confidence (RGZ vol. 91, p. 77).

To what an extent and to what degree he should interest himself in the general business management of the firm depends largely on the size and type of the enterprise. The smaller the enterprise, the greater will be the amount of overlapping between the various spheres of business of individual Vorstand members. The more reason why the individual Vorstand member should be expected, accordingly, to notice dereliction of duty or mistakes on the part of other members of the Vorstand. The larger, on the other hand, an enterprise becomes, the more the spheres of business of the Vorstand members are separated according to location and type of work, the less will individual members of the Vorstand be able to keep an eye on the activities of the other Vorstand members, the less, therefore, can they be expected to discover dereliction of duty or mistakes on the part of other Vorstand members.

It should, however, be demanded of the business management of large enterprises with a complicated system of division of labor that they make arrangements to enable individual Vorstand members to form a picture of the activities of the enterprise as a whole and of the work of other Vorstand members in their respective spheres of business. This involves regular meetings, the formation of special committees, and the provision of common deliberation on the part of the Vorstand as a whole where matters of special importance are concerned. But where appropriate arrangements have been made to inform all members of the Vorstand in general terms of the business affairs of the firm, the individual Vorstand member is entitled to assume that the other Vorstand members manage their part of the business affairs properly, unless he has reasons, on account of Vorstand meetings or information obtained elsewhere, to think otherwise. A Vorstand member is obliged to take steps against any other Vorstand member only for such reason; in the absence of such reason, he is not obliged to conduct investigations into the activities of the other business managers.

The bylaws which the Aufsichtsrat of the I.G. Farbenindustrie A.G. drew up for the members of the Vorstand should be examined from that point of view. I have here the bylaws for the years 1926 and 1938. The latter was drawn up in connection with the corporation act dated 30 January 1937. Apart from that, I have read the indictment in which are shown the spheres of business of the various Vorstand members now appearing as defendants, and their functions in the Vorstand and in the committees composed of Vorstand members.

The I.G. Farbenindustrie A.G. is the largest German enterprise which resulted from the merging of individual major enterprises, each of which represented a major economic unit. It was impossible to manage a major enterprise without effecting a drastic division of labor and of the duties of the Vorstand members. That fact is taken into account by the bylaws which have been given to me.

A detailed analysis of the bylaws shows the following:

1. *Bylaws for 1926.*

a. It is laid down in Article 1 that the company shall be managed by the Vorstand.

It is further laid down in Article 1 that members of the Vorstand shall be held *solely* responsible for the tasks which are entrusted to them. That means that the principle, in accordance with which one individual Vorstand member shall be authorized to sign for the firm to the exclusion of other members of the Vorstand, is acknowledged as far as the various spheres of business resulting from the distribution of responsibility for the management of business affairs are concerned.

b. This principle shall not, however, apply to "any matters of common interest or importance." They shall be submitted for decision to the Working Committee. A list is given, under 14 headings, in Article 3, of the matters concerned, the following general clause being added:

"all matters of common interest or importance exceeding the scope of current business."

c. Apart from that, a special committee "for secret and personnel matters" was appointed in accordance with Article 5. Members of it were, apart from the chairman of the Vorstand, four Vorstand members who were to be managers of the works and sales combines.

d. In the monthly meetings of the Working Committee, decisions were to be made on matters beyond the jurisdiction of individual Vorstand members and reports were to be submitted on everything which had occurred since the date of the previous meeting (Art. 7). The minutes of the meeting were sent to *all*

members of the Vorstand, even to those who were not members of the Working Committee (Art. 8).

e. Provision is made in Article 9 for special weekly discussions between the heads of the works and sales combines and the Vorstand members in their sphere of business. It is again laid down that minutes of the meeting be sent to the heads of the other works and sales combines who, in turn, are to inform the Vorstand members in their sphere of business.

The appointment of special committees composed of the heads of similar plants and departments in accordance with Article 10 was to serve the purpose of collaboration and of mutual information.

2. *Bylaws for 1938*

a. Article 1 retains the principle laid down in Article 1 of the previous bylaws, in accordance with Article 70 of the corporation act, to the effect that the *Vorstand* should conduct the business of the company.

b. The principle that the individual Vorstand member should be entitled, as far as his particular sphere of business is concerned, to sign on behalf of the firm, is not stated *expressis verbis,* but it follows from the provisions of Article 2, in accordance with which every Vorstand member shall report to the Vorstand as a whole on certain matters described as subject to approval, and shall ask for a Vorstand decision thereon. Such matters are defined as all matters of special importance exceeding the scope of current business, for which 8 types of business affairs are given as examples (Art. 3).

That means that the individual Vorstand member was authorized to conduct within his sphere of business, without consulting other Vorstand members, the affairs of ordinary business. In cases of impending danger he was authorized to do so even in the case of matters which were normally subject to ratification (Art. 3, par. 3).

There did exist between the two bylaws one fundamental difference, resulting from the difference in legal regulations between the commercial code and the corporation act dated 31 January 1937. Whereas, in accordance with the bylaws for 1926, the burden of business management rests mainly with the "Working Committee," *the Vorstand as a whole* is, in accordance with the bylaws for 1938, the highest authority which decides upon matters of common interest and matters of particular importance. That is in accordance with the requirements of the corporation act, which imposes upon the Vorstand as a whole the general responsibility for the conduct of business affairs. The transfer of managerial powers [Geschaeftsfuehrerbefugnisse] of a general

and highly important kind, to a committee comprising only a few of the members of the Vorstand, would have been against the law.

If the principles of corporation law on the significance of a division of responsibility for the management of business affairs, as discussed above, are applied to the bylaws of the I.G. Farbenindustrie A.G., the following points emerge:

1. In their spheres of business, individual Vorstand members were entitled to take whatever decisions on business affairs were involved in current business.

2. Approval of the Vorstand as a whole had to be obtained for general problems and matters of exceptional importance involved in the various spheres of business.

3. If a Vorstand member carried out business measures within his sphere of activity, the other Vorstand members were not to be held responsible. As far as their colleagues and their spheres of business were concerned, they were merely obliged to perform general duties of a supervisory nature, i. e., it was not their duty to investigate and examine the activities of their colleagues, so long as the latter seemed to them to be deserving of confidence. Least of all was it their duty to interfere with spheres of business other than their own. They were perfectly within their rights to do no more than take note, in the Vorstand meetings, of the reports on their respective spheres of work submitted by their fellow business managers, so long as an atmosphere of mutual trust prevailed. If nothing unusual was contained in these reports, there was absolutely no reason why steps should be taken, objections raised, or investigations initiated. It would not have been necessary to take any steps until a Vorstand member had been found to have exceeded his sphere of business or to have submitted unreliable reports or to have made mistakes in managing his business.

There was all the more justification for such an attitude in the case of a large enterprise like I.G. Farbenindustrie, because it was laid down in the bylaws that all Vorstand members be kept widely informed of the activities of the various Sparten in the Vorstand meetings, in the committees and commissions, and by means of minutes of these meetings, thus ensuring a measure of mutual control. Apart from this system of reporting and controlling introduced by the bylaws itself, the individual Vorstand member was not called upon to do anything on his own initiative unless the occasion warranted such action. That must hold true when one realizes that the importance of mutual information must not be overestimated. It is obvious that it was impossible, in view of the multifariousness of the problems involved, to give, in the reports submitted to the meetings of the Vorstand and the

committees, more than a bare outline of the problems and subjects involved, so that little more is recorded in the minutes of the meetings than the results of negotiations. It must, however, be borne in mind that the highly specialized fields of research of individual Vorstand members were to a very large extent completely unknown to the others, so that they were quite incapable of forming an independent opinion thereon. The fact that a Vorstand member was informed, either in a Vorstand meeting or through minutes of meetings, of certain actions and occurrences in other departments is not therefore proof of his coresponsibility for such actions and occurrences. Such liability and responsibility is out of the question, unless it was inevitable that the Vorstand member, owing to his professional qualifications and the knowledge required in his own sphere of work, should grow suspicious, but kept silence in spite of such suspicion.

On the other hand, the members of the Vorstand of the I.G. Farbenindustrie were businessmen and specialists who had built up for themselves an excellent reputation in the course of many years, every one of whom could legitimately claim to be an authority in his subject, and who was deserving of confidence, especially if he had successfully conducted for a long time the business affairs of the firm. Thus, the further removed from the sphere of activity of the responsible business manager he is, the less can a member of the Vorstand be held responsible. The question of a person's responsibility should therefore be investigated separately for *each Vorstand member* to determine how great is the share of responsibility which should devolve upon him from the point of view of the fulfillment of the duty laid upon a good and conscientious business manager. It would be a mistake to impose upon individual Vorstand members a degree of responsibility for the management of business affairs by other Vorstand members in their spheres of work beyond the limits defined above.

4. Responsibility for decisions taken by the Vorstand as a whole should be assessed accordingly.

a. If the Vorstand as a whole approves an administrative measure advocated by an individual Vorstand member for his sphere of work, that Vorstand member is not relieved of his share of the responsibility. If the measure turns out to have been a mistake, the Vorstand member will be held responsible if, by making the proposal, he has offended against the "diligence of a good and conscientious business manager."

b. The share of responsibility of the other members of the Vorstand, who have voted in favor of the motion, will also be determined according to the extent to which they have offended against that "diligence." The general remarks made under 3

above, on the coresponsibility of each individual Vorstand member for the actions and occurrences in other departments, apply in this connection also. Coresponsibility could, *a priori,* apply only to whatever had emerged clearly from the original motion. If a Vorstand member was, moreover, justified because of the expert knowledge of the business manager responsible in considering his proposal as favorable, and if he did not himself possess sufficient expert knowledge to enable him to detect any flaws in the argument, he must not be blamed for failing to oppose the motion, or for supporting it. It was perhaps that interpretation which led to the practice, in the Vorstand and committee meetings of the I.G. Farbenindustrie A.G., of refraining from taking a formal vote, i. e., of counting the number of members for and against a motion, but of merely waiting for an objection, if any.

5. With regard to the decisions and measures taken by the "Working Committee" in accordance with the earlier bylaws valid until 1937, it should be pointed out that it was quite legitimate, in accordance with the commercial code then valid, to appoint committees which were alone responsible for measures which exceeded the limits of normal current business. The result was that those Vorstand members who did not belong to such a working committee could not be held responsible for decisions taken by that committee. They could only be considered as in duty bound to bring about a change in decisions and, if necessary, to inform the Aufsichtsrat, if they were forced to see in those decisions either offenses against the law or dereliction of duty.

In conclusion I should like to emphasize once again that in the above expert legal opinion I have dealt with the responsibility of the Vorstand members of an Aktiengesellschaft in civil law only. Responsibility in criminal law is an entirely different matter. To mention one point only, a man is responsible in civil law not only in cases where there has been intent, but in all cases of negligence, whereas in criminal law, a criminal action invariably presupposes intent on the part of the defendant. I have given the above expert legal opinion to the best of my knowledge and belief and in accordance with my professional convictions.

[signed:] DR. WALTER SCHMIDT

V. COMPULSION IN HITLER'S THIRD REICH AND THE DEFENSE OF "WINDOW DRESSING"

A. Introduction

The defense argued extensively, and introduced large amounts of evidence in support of their claim, that regulations were so stringent and far reaching under Hitler's dictatorship that private individuals, including leading industrialists, could not refuse their cooperation without fear of immediate penalty, including confinement and possibly even death. The defense further claimed that most of the acts charged as criminal in the indictment were committed under this compulsion and hence were not the voluntary acts of the defendants.

Closely related to this argument, if not a part thereof, was the claim that many statements made in contemporaneous documents by the defendants and their associates were formulated for "window dressing" purposes, and that some of the defendants engaged in the practice of "howling with the wolves" in order to avoid penalties or in order to obtain legitimate ends which they otherwise could not have accomplished under the Nazi regime.

Since these defenses were urged in connection with each of the five counts of the indictment, some of the evidence concerning these matters is reproduced in this preliminary section with a view to presenting at an early point a general defense to numerous prosecution exhibits and thus avoiding needless repetition later on. The first selections from the evidence are extracts from the testimony of three defense witnesses and the defendant Ambros concerning compulsion (subsec. B). The word "window dressing" first made its appearance in the courtroom because the secretary of the Commercial Committee of Farben's Vorstand, Dr. Frank-Fahle, had used the word in an affidavit (*NI–5169, Pros. Ex. 360*) discussing the minutes of the meetings of the Commercial Committee. When this affiant was called for cross-examination by the defense, the defense elicited considerable further testimony concerning "window dressing" as a policy, and thereafter the term was used again and again in the trial. Accordingly, extracts from the testimony of Frank-Fahle and his affidavit are reproduced below (subsec. C 1 b). This is followed by brief extracts from the testimony

of the defendant Mann (subsec. C 2) and of the defendant Gajewski, together with extracts from a document used during cross-examination of Gajewski (subsec. C 3). Both defendants Mann and Gajewski used the term "window dressing" in their testimony. The last selections reproduced at this point are extracts from an affidavit and from the oral testimony of Dr. Krueger, the first deputy of the defendant Ilgner, who describes defendant Ilgner's attitude toward the Nazi regime (subsec. C 4).

A number of further materials bearing on the defense of compulsion and upon "window dressing" appear in section VII C and throughout the later selections. Special reference should be made to a number of decrees which were issued during the Third Reich and which provided severe penalties for noncompliance. A number of such decrees are reproduced later in section VII E, "Reorganization of Economy and Early Considerations of Military Economy in the Third Reich." The judgment of the Tribunal, in connection with the charges of slave labor, discusses "The Defense of Necessity" (sec. XIII, vol. VIII), and Judge Hebert likewise takes it up in his dissenting opinion on slave labor (sec. XV, vol. VIII).

B. Testimony on Compulsion by Defense Witnesses Milch, Flick, and Huenermann, and by Defendant Ambros

1. TESTIMONY OF DEFENSE WITNESS FIELD MARSHAL ERHARD MILCH

EXTRACTS FROM THE TESTIMONY OF ERHARD MILCH*

DIRECT EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): Now another subject. You said that you saw Krauch for the first time in 1933, that you went to him with the request for technical advice. I shall ask the next question for the sake of brevity.

In 1936, this request for expert advice on a larger scale was made to Krauch again and he entered the Raw Material and Exchange Staff, as well as the Four Year Plan. My question is this. When Krauch was asked for advice, could he refuse? I am not thinking of the moral consequences, but others.

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* Complete testimony is recorded in mimeographed transcript, 15 January; 5 March 1948, pp. 5296–5347, 8535–8550. Further extracts are reproduced below in section VII C 6 *a*. Milch had been convicted earlier by Military Tribunal II for participation in Germany's slave labor program and sentenced to life imprisonment (see vol. II, pp. 796 and 797, this series).

WITNESS MILCH: In my opinion, as a German, he could not refuse the German Government his collaboration. He could only have pointed out that he was not an expert, and therefore not the proper man.

Q. What would have been the result of a refusal?

A. In peacetime I cannot say exactly; he could not have worked for Farben any more either. The government would have insisted that such a man be not permitted to hold a responsible position there. In wartime, such a refusal would have been considered sabotage and undermining of the fighting spirit, and the person would have been put before the People's Court or whatever court had jurisdiction.

Q. Thank you. This question leads from the consequences for a person refusing a request of the state to the consequences for a business if it refused orders and assignments of the state. What do you have to tell us about that?

A. In peacetime, I believe, 1933 or 1934, Professor Junkers of the Junkers airplane plant, for example, refused a request of the government. He did not want to do what the government asked him to do. Thereupon the plant was taken away from him, was taken over by the state, and Professor Junkers was given cash recompense. I know of another case where they did not go so far, but there was also the danger; that was the Krupp case. Krupp at one time refused to rearm, saying that that was contrary to the Versailles Treaty, but Krupp was forced to carry out the government orders; and in 1934, an amendment to the Penal Code was issued in which punishments were authorized for businesses if they did not carry out government orders.

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DR. STORKEBAUM (associate defense counsel for defendant Schneider): What would the consequences have been if a businessman had refused to employ foreign workers and prisoners of war allocated to him for war production?

WITNESS MILCH: He would have been put under arrest immediately and he would have faced the Peoples' Court for undermining the fighting spirit.

Q. Thank you very much.

A. That was a very well known and dreaded paragraph. It normally lead to the death sentence.

* * * * * * *

Q. Witness, during the war you were connected with what was known as the aircraft industry, is that true?

A. Yes.

Q. Was that industry, during the war, employing concentration-camp inmates by allocation?

A. Yes.

Q. If these allocations had been refused by the plants, namely to employ concentration-camp inmates, would that have been possible?

A. That would have been quite impossible for the plants.

Q. In that case, I suppose the same consequences would have arisen which you described in a more general way before in case a plant refused to employ foreign workers.

A. Yes, quite.

* * * * * * *

2. TESTIMONY OF DEFENSE WITNESS FRIEDRICH FLICK, HEAD OF THE FLICK CONCERN[1]

EXTRACTS FROM THE TESTIMONY OF FRIEDRICH FLICK[2]

DIRECT EXAMINATION

* * * * * * *

DR. SIEMERS (counsel for defendant von Schnitzler): Dr. Flick, I am coming back to the question of the Election Fund of 1933. Could one of these prominent industrialists refuse to attend this meeting which was called by Goering?[3]

WITNESS FLICK: He could do that, if he did not consider the consequences, but, naturally, he would have regretted it. As I said, I—and I think that also held true for other industrialists, or, at least, for many—was frequently called to attend conferences and meetings held by the preceding government. If, now, the same industrialist had not followed a call of a prominent member of the new government—in particular, of the Prime Minister—that would certainly have been considered as an open affront.

I could give you an example: When the well-known big industrialist, Fritz Thyssen, at a later date did not obey another

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[1] Friedrich Flick was the principal defendant in Case 5 before Tribunal IV in Nuernberg. At the time of his testimony in the Farben case, he was serving a prison sentence of seven years upon his conviction for participation in the slave-labor program, the spoliation of property in occupied countries, and membership in and support of the SS, principally through membership in the Himmler Circle of Friends (see vol. VI, this series).

[2] Complete testimony (Case 6) is recorded in mimeographed transcript, 12 March 1948, pp. 9018–9063.

[3] This refers to an election fund of 3,000,000 marks contributed by a number of industrialists or industrial firms in connection with the Reichstag election of 5 March 1933. The Farben concern contributed 400,000 marks. Evidence concerning the election fund appears below in section VII C 3.

telegraphic invitation by Goering to attend a Reichstag meeting, and when, as a result of the danger which he brought upon himself by that action, he had to visit Switzerland and stay there for a while, all of his property was confiscated. When they later succeeded in getting hold of him in 1940 in some foreign country, he was sent into a concentration camp where he was only liberated by the Americans.

Q. Could the industrialists, who were at the meeting, in any way refuse to participate in the Election Fund? In other words, could they withhold contributions?

A. I think what I explained before applied to this as well. In this connection, however, one fact is of considerable importance. Those enterprises which had been anti-Fascist in the preceding year, in 1932, by their support of the anti-Hitler movement, were in a jeopardized position after Hitler came to power. I.G. Farben and my firm were two companies which were among that group because they had—as I have already mentioned—supported Hindenburg against Hitler. If the dictatorship at that time, at the beginning of 1933, was not as drastic as it developed later, we still have enough proof that dictatorship actually existed, and there were sufficient indications which pointed to its further development.

In summary, let me state that Farben was regarded with a great deal of suspicion, and it was already incriminated because of the payments it made in 1932. Therefore, such a concern could not have afforded, after the seizure of power had become an accomplished fact, to oppose national socialism and to refuse making any payments in the instance under discussion now.

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Q. Dr. Flick, would you be good enough to answer my question, how leading industrialists fared who, at a later date, in 1936 or 1937, opposed the Party of National Socialistic ideas?

A. An example as to how such leading industrialists fared can easily be given by me, but I shall limit myself to one: Professor Junkers, the owner of the well-known Junkers aviation firm, had his property confiscated when he did not comply with the request of the government to reorganize his firm.

Q. I beg your pardon. How was he supposed to convert his firm?

A. He was to expand his firm and to take up the production of other types of airplanes. They claimed that he did not produce enough from a quantitative point of view. The matter was handled informally and voluntarily by way of a mutual agreement, but it is interesting to note that, as far as I know, a

prosecutor was always present during these negotiations. He was not at the table where the negotiations were carried on, but he was always sitting in the corner of the room and I believe Professor Junkers could not fail to notice him. Furthermore, I could say that a Vorstand member of an electricity plant at Essen, which was one of the largest plants of its kind in Europe, because of a defeatist remark he made, was sentenced to death by the People's Court and was actually executed.

Furthermore, I could say that one of my mining directors, for similar reasons, was sentenced to a prison term of many years.

Finally, I might mention my own person. Himmler, in 1940, demanded that I be sent to a concentration camp, giving the reason that I was an international capitalist. That order was not executed merely because of an intervention on my behalf by Himmler's personal physician, but actually I did not completely escape the danger to which I was subject. They had certain microphones built into my room in order to find out what I was saying. That was done upon order of Himmler. Reports had to be made to Himmler about what was going on in my office and this has been proven by affidavits presented in my own trial.

Q. Mr. Flick, it is sufficient if you merely tell us from whom you know the details.

A. Are you referring to my case?

Q. Yes.

A. I heard the details from Himmler's physician Sanitaetsarzt Kersten, a Finnish citizen. At the moment he is in Stockholm. He made a very detailed affidavit on that point.[1]

Q. Thank you. That will suffice.

A. Then there is my secretary, who knows about these matters through the police. I could even now give you the name of the police official who had the duty to make constant reports. The name of the man is Schwank. The people who were members of the Keppler Circle had nothing to do with it.[2]

Q. One last point. In connection with Junkers, you just mentioned orders by the state concerning production. What was industry's attitude towards such orders issued by the Armament Ministry or other official agencies? Was it at all possible to refuse compliance with such production orders?

A. Well—

Q. Dr. Flick, please do not go into details. I am asking you

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[1] Document Flick 17, Flick Defense Exhibit 17, reproduced in vol. VI, section V E 2, this series.

[2] Flick here refers to the Himmler or Keppler Circle of Friends a group composed largely of industrialists and SS leaders, which included the defendant Buetefisch of I. G. Farben. See count three of the indictment. Considerable evidence concerning the Circle of Friends appears in vol. VI, this series.

that question because you represent one of the largest industries and you can give us a brief and concise picture.

A. First of all, let me state that every decent German industrialist, even if he was opposed to the unleashing of the war as such, remained a patriot, and it was quite natural that, after the war had begun, he had to do his duty as a manufacturer. That is my point of view at any rate. After America entered the war, the superiority of our enemies in the way of materials became so obvious that serious difficulties arose. That led to the fact that in view of the scarcity of materials, scapegoats had to be found. Such scapegoats were found among circles of industry. Production demands were made, which, in fact, were unreasonable and could not be met. The well-known Hitler slogan: "The word, 'impossible,' does not exist in my dictionary," became the slogan for industry, with which the industrialists were constantly subjected to pressure, bullied, and threatened. The Reich Association Iron [Reichsvereinigung Eisen], which in my field was founded in 1942, originated only because of the endless reprimands which were made to us because of insufficient production. There was a constant reference to the fact that the United States was producing far more and that was rubbed in all the time. I think it is quite important for me to say that the president of the Reich Association Iron was not elected by the members, but was appointed by Hitler and Goering. I can give you one or two examples and then I can leave the subject.

When the well-known railway locomotive producer, Oskar Henschel, told Hitler one day that if his skilled workers continued to be drafted production would drop, Hitler abruptly turned around, walked off, and shortly thereafter Henschel was dropped from his position as plant leader in his own factory.

Particularly great was the pressure which Hauptdienstellenleiter Sauer exercised on industry. He was from the Speer Ministry. His was an absolutely unbearable personality. That applied specifically to the so-called Jaegerstab. In every single plant, commissars of the Jaegerstab were assigned. They had the right to issue direct orders to the engineers and employees and could circumvent the actual business management. At the same time, these people daily and hourly watched the directors. They always threatened people with having them sent to a concentration camp if production was not sufficiently high, and that was still a mild threat for those people.

Q. How do you know that? How do you know that, Dr. Flick? Did you, yourself, speak to Sauer or did you attend meetings?

A. There was one case which I did not mention here in order to save time. On that occasion, I negotiated with Sauer one Sun-

day morning from 9 in the morning until 5 in the afternoon. That concerned our Spandau plant. I know of another case. I know that through our own aircraft factory. We had an aircraft factory employing 10,000 workers and the director of our aircraft factory reported on that at great length in our trial [1] and that was Dr. Weinhardt.[2]

In conclusion, let me state one thing: Hitler's attitude concerning this entire problem can best be characterized by his own words, which he once uttered in a small circle. That was, "In order to set an example, one industrialist must at one time be put against the wall, and it must be a prominent one."

DR. SIEMERS: Thank you very much. I have no further questions.

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CROSS-EXAMINATION

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MR. SPRECHER: Had you or your firm, to your knowledge, made contributions to the NSDAP before the meeting of 20 February 1933?

WITNESS FLICK: I testified on that during my trial. There were smaller contributions to the SA, SS, Stahlhelm, and similar organizations. We did that in order to live in peace, but that didn't actually mean a support of the National Socialist policy.

* * * * * * *

Q. Now, Goering was the head of the Four Year Plan; did he oppose the growth of your concern?

A. I can't say that; I didn't speak about the expansion of concerns as such, but, in connection with Funk, I spoke of the stoppage of any expansion during the war.

Q. Now, just a minute; just a minute. Now, I wasn't asking about Funk; I was asking about Goering.

A. The growth of the Konzern was not opposed by Goering, but at that time, at the time about which we are speaking now, the Konzern no longer grew. The growth really comes about through buying of shares, fusions, affiliations, etc.

Q. Is it fair to say that the fear of economic loss, to speak of yourself, led to your making concessions to Nazi wishes which you otherwise would not have made?

A. I didn't quite understand what you meant about loss—

Q. Speaking of your own case, for I am sure you have good knowledge of it, did the fears of economic loss on your own part

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[1] United States *vs.* Friedrich Flick *et al.*

[2] Complete testimony (in the Flick case) of Witness Bernhard Weinhardt is recorded in the mimeographed transcript (Case 5) of 21–22 October 1947, pp. 9156–9210.

lead to your making concessions to the Third Reich, the leaders of the Third Reich?

A. I don't know what I have to understand by losses; what do you mean by fear of losses?

Q. Did you fear any economic loss if you did not take a leading part in the Third Reich as an industrialist?

PRESIDING JUDGE SHAKE: Mr. Witness, I don't know how it gets to you on the translation, but I think what the prosecutor is trying to convey to you is this: Did you cooperate with the government and the Party because you were afraid that your property would be taken away from you if you did not cooperate? Is that a fair statement of what you are driving at there, Mr. Prosecutor?

MR. SPRECHER: Yes.

A. It is impossible to express it so generally. There was no mention of any cooperation. I deny that I cooperated with national socialism in the first years. I was observed with distrust and I was suspect. It is being stated here as if it was a matter of cooperation, but I object to that sort of statement. Naturally every industrialist is afraid of losses—not only in Germany but throughout the world.

MR. SPRECHER: Now, in the case of Professor Junkers, did you yourself hear from General Milch that Professor Junkers was very well paid for the plant when he stepped out of the Junkers concern?

WITNESS FLICK: Very well paid?

Q. Yes.

A. I can't tell you what he got, but you can rely upon it that he didn't sell voluntarily. I knew something about the Junkers question at the time. I was in contact with that question because I was to act as some sort of economic expert. Let me repeat here, that according to information I received, the negotiations were carried out in the way I described them.

Q. Just a minute—

A. In the very same room, not at the same table, but a prosecutor was sitting there—

Q. Just a second—

A. I think that that is very important when you come to judging that question.

Q. I will ask the question, and if the answers are not responsive, I will ask the Tribunal to interfere. I asked you whether you heard from General Milch, when you were present and General Milch was talking, that Professor Junkers was well paid. Now, if you didn't hear it, just say you didn't hear it.

PRESIDING JUDGE SHAKE: Mr. Prosecutor, as we understand

the witness, he was testifying to the point that the property was taken away because of the coercive conduct of the government. If that was true, and if it was forcibly taken, the question whether it was paid for afterwards wouldn't be very important. The man who steals my property is not going to make the act lawful by coming around afterwards and paying for the property he has stolen. That is hardly an answer to the question.

MR. SPRECHER: You mentioned a Vorstand member who was executed for some reason or other. Who was the person?

WITNESS FLICK: Mining Director Riecken.

Q. Do you know what he was executed for?

A. Because of an allegedly defeatist remark he had made; that was made in the circle of the staff of his close associates.

Q. You mentioned one of your mining foremen was sentenced for many years; what was he sentenced for?

A. As I said, he was sentenced for the same reason. He was Mining Director Knautz.

Q. Did he make some remark against the regime or something? What was the nature of the remark he made?

A. Yes, I can tell you that. That was in 1943, when Mussolini resigned; there were difficulties in Italy, and he made some remark to the effect that the war wasn't going very well; and he was still lucky that he got away with a long prison term.

Q. Do you know the name—when was the other Vorstand member executed that you mentioned; when was that?

A. I only mentioned one as far as execution is concerned, didn't I?

Q. Yes.

A. I only mentioned one.

Q. When was he executed?

A. Well, I wasn't present; I think it was in 1943 or 1944. At any rate, it was before the end of 1944.

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3. TESTIMONY OF DEFENSE WITNESS RUDOLF HUENERMANN, CHIEF OF STAFF TO GENERAL THOMAS

EXTRACT FROM THE TESTIMONY OF GENERAL RUDOLF HUENERMANN[1]

REDIRECT EXAMINATION

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DR. HOFFMANN (counsel for defendants Ambros and von der Heyde): Witness, in Exhibit 2221,[2] the Farben plants are mentioned repeatedly. Witness, what would you have done if, to one of your requests where you expressed a certain demand or desire about certain fields in economy, any representative of Farben had answered: "I am not going to attend such a conference"? The question is first: would it have been possible; would that have been at all conceivable?

WITNESS HUENERMANN: It would have been possible, it is true, but it never happened in practice. If we invited representatives of large German industry to attend a conference, I never experienced it that any German firm would have tried to get out of such a request.

Q. My next question is this: In your opinion, was there any reason at all to try to evade such a question or not comply with such a request?

A. No, for these demands and requests that we made to German industry we regarded as being completely within the limits of what was legally permitted and necessary from the point of view of home defense.

Q. What do you mean when you say within the limits of what was legally permitted?

A. That we were permitted and had the right to mobilize our forces within Germany for the purposes of home defense, national defense.

Q. You said that "we had the right." To what extent do you consider yourself an authority that had the right to undertake such action?

A. Since we were in the OKW we had the exclusive task to take

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[1] Complete testimony is recorded in mimeographed transcript, 31 October 1947 (tr. pp. 3147–3152) and 4, 5 May 1948 (tr. pp. 13408–13410; 13495–13524). Huenermann, formerly a general of the High Command (OKW), was chief of staff to General Thomas, chief of the Military Economics and Armaments Office of the High Command of the Wehrmacht. He appeared also as a prosecution witness, on 31 October 1947.

[2] Document NI–7452; this exhibit contained excerpts from drafts of the weekly reports of the Office of Military Economics and Armaments. The reports showed a number of conferences between representatives of this office and Farben officials concerning mobilization problems. Extracts from this exhibit, together with further testimony of General Huenermann, appear below in sections VII H 2 and VII H 3.

care of national defense, and within the scope of those duties we also had to call on German industry to take those measures which we considered necessary in the interests of national defense. By law, we were appointed as the supreme agency for national defense.

Q. Then you never had the idea, Mr. Witness, that anybody in German industry could oppose the demands that you had to make.

A. No, I never had those ideas and I may supplement that during the years preceding 1933 it was different. At that time (and I experienced it, myself, during a conference which the then Oberst von Blomberg had in 1927 or 1928 with Herr von Bohlen in Villa Huegel), the firm of Krupp rejected developing certain guns which were not admissible under the Versailles Treaty. That was possible until 1933, and I believe that I can remember that demands that were made at that time to I.G. Farben were rejected by the Vorstand with reference to the Versailles Treaty and we were forced at the time—that is, we from the Wehrmacht were forced at the time—to build up, to construct, plants on our own initiative because German industry refused to violate the Versailles Treaty in any way. I have been in the OKW since 1927 and, therefore, I am somewhat informed about armaments questions.

Q. And why did that change?

A. It changed, in the course of the years after 1933, on an ever increasing scale. I didn't investigate the international legal justification for this change. Whether we were justified at the time, I wasn't concerned with because I was only a captain, but German legislation demanded this attitude from German industry, and thus industry was forced to comply with the demands.

4. TESTIMONY OF DEFENDANT AMBROS

[*Statement from the judgment concerning the personal history, positions, and affiliations of defendant Otto Ambros*:

"*Ambros, Otto*: Born 19 May 1901, Weiden, Bavaria. Professor of Chemistry; 1938-1945, member of Vorstand, Technical Committee, and Chemicals Committee; chairman of three Farben committees in the chemical field; plant manager of eight of the most important plants, including Buna-Auschwitz; member of control bodies in several Farben units, including Francolor.

"Member of Nazi Party and German Labor Front; Military Economy Leader; special consultant to chief of Research and Development Department, Four Year Plan; chief of Special Committee 'C' (Chemical Warfare), Main Committee on Powder and Explosives, Armament Supply Office; chief of a number of units in the Economic Group Chemical Industry."]

EXTRACT FROM THE TESTIMONY OF DEFENDANT AMBROS[1]

DIRECT EXAMINATION

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DR. HOFFMANN (counsel for defendant Ambros): Did new plants have to be built to produce war gas, or were these plants already in existence, or could existing plants be adapted for that purpose?

DEFENDANT AMBROS: Since I.G. Farbenindustrie, in contrast to the First World War, refused principally to produce explosives or poison gas in its own plants, the Reich, the OKW, was forced to build new factories for this purpose.

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C. Selections from the Evidence on "Window Dressing"

I. TESTIMONY AND AFFIDAVIT OF DR. FRANK-FAHLE, SECRETARY OF THE COMMERCIAL COMMITTEE OF FARBEN VORSTAND

a. Testimony of Frank-Fahle

EXTRACTS FROM THE TESTIMONY OF PROSECUTION WITNESS GUENTHER FRANK-FAHLE[2]

CROSS-EXAMINATION:

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DR. BACHEM (associate defense counsel for Ilgner): In your affidavit (*NI–5169, Pros. Ex. 360*) you speak quite clearly of the K.A. [Commercial Committee] minutes as "aides memoirs." That is supposed to mean, is it not, that these minutes were to be sufficient to aid a person, who had been present at the meetings himself, to interpret and to do what was necessary, is that right?

WITNESS FRANK-FAHLE: Yes.

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[1] Complete testimony is recorded in the mimeographed transcript, 26, 27, 28, February, 1 March 1948, pp. 7751–7920 and 7964–8145. Further extracts are reproduced below in section VII G 7 *b* and K 6; and in section VIII D 4 and E 4, vol. VIII, this series.

[2] Complete testimony as a prosecution witness is recorded in mimeographed transcript, 13, 14 October 1947 (pp. 1942–2053) and as a defense witness, 22 March 1948 (pp. 9788–9826). Frank-Fahle had executed a number of affidavits, after interrogation by representatives of the prosecution staff, which had been introduced in evidence by the prosecution. Parts of one of them, which led to the testimony here reproduced, appear just after this testimony. Frank-Fahle gave much favorable testimony to the defense upon cross-examination concerning his affidavits, and on redirect examination the Tribunal cautioned the prosecution several times about cross-examining its own witness. Frank-Fahle also appeared as a defense witness during the defense case. See vol. XV, this series, section XVIII F 5.

Q. You also say, in this connection, that you remember one case where the record was formulated with a view to outsiders. I admit that the example you gave may be especially striking, but I ask you whether beyond that it was not true that during the period of the Third Reich the records were almost always formulated in such a way that there would be no reason for criticism in case the minutes fell into the hands of Party Members, is that correct?

A. Absolutely true.

Q. The one case which you mentioned was, as you write, that no representative of Farben was to go abroad who did not belong to the Labor Front, etc. Was not the purpose of this formulation to facilitate the difficult negotiations with the Foreign Organization of the Party and to protect Farben from further demands of the Foreign Organization?

[This entry is a part of the minutes of the Commercial Committee meeting of 10 September 1937, Document NI–4959, Prosecution Exhibit 363. It reads:

"10. *Staffing of our agencies abroad and collaboration with the A.O.* [*Foreign Organization of the Nazi Party*]. It is generally agreed that under no circumstances should anybody be assigned to our agencies abroad who is not a member of the German Labor Front and whose positive attitude to the new era has not been established beyond any doubt. Gentlemen who are sent abroad should be made to realize that it is their special duty to represent National Socialist Germany. They are particularly reminded as soon as they arrive that they are to contact the local or regional group of the Foreign Organization of the Nazi Party and are expected to attend regularly their meetings as well as those of the Labor Front. The Sales Combines are also requested to see to it that their agents are adequately supplied with National Socialist literature. Collaboration with the A.O. must become more organized. It seems expedient and practical *to work out a uniform plan jointly with the A.O.*, which will show within which period of time it will be possible to eliminate deficiencies still existing with our agencies abroad which have been a subject for complaint."]

A. I believe that is correct. I believe that this formulation was particularly intended to facilitate Mr. Waibel's negotiations with the Foreign Organization. In other words, I think he showed this decision to the A.O.

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DR. BERNDT (counsel for defendant Mann): One brief question in conclusion. For some extended period of time you had been the secretary of the Commercial Committee, and you kept the minutes?

WITNESS FRANK-FAHLE: Yes.

Q. Since when did you carry out these recording activities?

A. Ever since the new Commercial Committee was organized in the year of 1937.

Q. Were these records always in accordance with the truth, or were they dressed up somewhat at times?

A. This question was answered in my affidavit (*NI–5169, Pros. Ex. 360*), but I do want to repeat that matter. These records are truthful "aides memoires," but as I stated in my affidavit, it is a matter of course that events occurred which were recorded in a manner which in the English language is called "window dressing," and for which I have not found an adequate expression in the German language.

I said in my affidavit that I clearly remember one such case of "window dressing," but if I go through all of the records once more, it is quite possible that I shall once more remember one case or another, but I already said that this morning.

Q. That was done then in order to give outsiders an incorrect picture for certain reasons?

A. In that form I can neither answer the question "yes" or "no." We certainly did not want to bring about an incorrect picture—

Q. Perhaps a blurred picture?

A. Yes, a veiled or blurred picture, according to what was necessary from a tactical point of view for our respective purposes.

Q. Wasn't such a blurred picture created in some cases in order to prove to the Party that certain measures were allegedly carried out, which in fact, however, were not?

A. I can imagine that that was so—but I really cannot state here specifically that this was done—for instance, in the case of having to release Jewish employees. We always were in a tight spot there. On the one hand, we wanted to keep them; and on the other hand, we had to emphasize to the AO [Foreign Organization] that we were doing everything to get rid of them, but I cannot remember how that was done.

Q. Isn't it true that in a case like that, the record was somewhat changed in a tactful way?

A. I really can't remember for this specific matter.

DR. BERNDT: Thank you very much.

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REDIRECT EXAMINATION

MR. SPRECHER: You are a lawyer yourself, Witness?

WITNESS FRANK-FAHLE: I have studied for a doctor's degree, but I have no admission to the bar.

Q. Would you prefer to have this examination conducted in English or German?

A. English, if the Court agrees.

PRESIDING JUDGE SHAKE: It will be agreeable to the Court.

Q. Apart from the commercial members of the Vorstand whom you mention in the meetings of the Commercial Committee, did you get to know most of the technical members of the Vorstand?

A. I met the technical members of the Vorstand before, outside of the meetings.

Q. Did you have any lawyers working under you in the ZEFI, that is, the Central Finance Administration?

A. Yes.

Q. And were some of the assistant defense counsel here among those lawyers? I mean absolutely no reproach, I merely wish to indicate the facts to the record.

A. Yes.

Q. And some of the lawyers who questioned you yesterday had worked with you concerning various questions which came up in the Central Finance Administration, is that right?

A. Of course.

Q. Did you discuss, before you took the stand yesterday, with some of these lawyers, the testimony you would give today on cross-examination?

A. I discussed general questions about the IG trial with some of them, but not with everybody who asked me on cross-examination.

* * * * * * *

Q. Now, did Dr. Bosch engage in some very effective "window dressing," in your opinion?

A. No, he was so outspoken that I personally asked him very often to be more careful.

Q. Did you know that Dr. Bosch did engage in discussion of high matters of state policy with Goering, with Keppler, who was Hitler's economic adviser, and others?

A. This is not known to me.

Q. What evidence did Bosch give of his, as you state, express opposition to the Nazi regime in such a way that it would be known to anybody in Germany outside of the small circle in which you worked in I.G. Farben itself?

A. Geheimrat Bosch was a member of very well-known scientific societies. If I'm not mistaken, he was also a member of the very well-known Kaiser Wilhelm-Gesellschaft, the last president of which was Professor Planck, who died a couple of days ago. And I believe that everybody who was a member of this society knew Mr. Bosch's political opinion. He was also a member of a scientific society which met in Munich, and I remember that I heard about his very anti-Hitler and anti-Nazi behavior in Munich from sources which were in no way connected with IG. Only his

age and his predominant position saved him, so I was told, from being arrested.

Q. Of course, Dr. Bosch was already chairman of the IG Vorstand in 1933 when the Nazis came to power, and he continued in that position until 1935 when he was—

A. (Interrupting) Pardon me, Mr. Sprecher, he became successor of Geheimrat Duisberg, who died after the Nazis came to power. He was the head of IG, in case I am correct, when the Nazis came to power.

Q. The chairman of the Vorstand?

A. The chairman of the Vorstand.

Q. That's what I said. I'm sorry if I didn't express myself too clearly. Now, in 1935, he became chairman of the Aufsichtsrat and continued in that position until he died in 1940. Is that correct?

A. Yes.

Q. Now, did you ever hear of Geheimrat Bosch resigning from any position—and possibly he did resign. I just want to know if you know. Did you ever hear of him resigning from any important position which he did hold, officially or unofficially, under the Nazi regime?

A. This I don't know.

Q. Did you know that the industrialist, Fritz Thyssen, resigned from a number of positions and wrote letters to Goering after the persecution of the Jews and the Catholic Church became obvious?

A. But, of course, the question of Thyssen is absolutely different from the case of Bosch. Thyssen was an ardent believer in Hitler who found out later on that he was entirely wrong, while Bosch always was consistent.

Q. And Thyssen, until he left the country at the outbreak of war, didn't lose his head because of the police state either, did he?

A. Thyssen?

Q. Yes, Thyssen. He stayed in Germany until he left of his own volition?

A. This I don't know. I believe he left Germany on his own wish.

Q. Now, when you were discussing with me, prior to this trial, this question of "window dressing," you could only think of one instance after several days' thought? Is that right?

A. Yes, that is absolutely right.

Q. Now, tell us about that one instance of "window dressing" in this limited connection. At that time, was it regarded as "window dressing" by the members of the K.A. [Commercial Committee] who were present in the meeting when the resolution was adopted that in the future no representatives of Farben should go

abroad unless they were members of the German Labor Front, Dr. Ley's organization, or were positive believers in the Nazi Socialist State? That is the particular instance, isn't it? Now, make your answer.

A. My answer is as follows: I believe I stated in my affidavit that this resolution was passed in connection with the discussion in the meeting about the permanent difficulties the IG officials in the commercial sector had with the Foreign Organization of the Party, and we agreed that we had to make some concession in this matter. We deemed it advisable that one man of the Vorstand, who might be able to talk with the members of the Foreign Organization, handle the matter for the whole commercial part of IG, as far as general questions were concerned.

Q. Well now, was this question discussed as a matter of "window dressing" at this time? That is what you mean to say, do you?

A. Yes, I believe so.

Q. And in this meeting it was said, according to your testimony as I understand it, "it's necessary for IG to do a little 'window dressing' now with respect to the Nazi regime"?

A. It was decided to have one man who could talk to state leaders and to help Mr. Waibel. This man was to talk to the Foreign Organization and say: "There, you see what we concluded in the meeting."

Q. Now, we've covered the points about the help that this action would give to Waibel. I'm only asking you if the question of "window dressing" was clearly discussed in the circle of the Commercial Committee, at that time, as a matter of "window dressing." Was it or wasn't it?

A. Mr. Sprecher, I don't know whether it was necessary to emphasize towards the members of the Commercial Committee that the way I formulated the protocol was "window dressing" or not. I believe the members of the K.A. were clever enough to make this distinction.

Q. Well, the question is, did they, in a way which you observed with one of your senses at that time?

A. Mr. Sprecher, I couldn't watch their faces because I made the protocol after the meeting and the protocol was mailed to the members.

Q. It was mailed, in fact, to more than fifty people in I.G. Farben, not only to the members of the Commercial Committee?

A. Yes.

Q. And after the rest of these people saw what the minutes said, what the resolution was, do you think there was any reason

why the other fifty people, who were not present in the meeting, could have thought this was "window dressing"?

A. Mr. Sprecher, I hoped that the ardent Nazis among the smaller staff, who were watching these protocols in order to report to their local Party authorities, were impressed that this was not a "window dressing."

Q. Now, were there some members of the Commercial Committee present, as far as you know, who had been Nazis from before the time of 1933, at the time when the famous "window dressing" was done?

A. I don't know that anybody of the Vorstand was a member before 1933.

Q. Well, we have collateral—

A. (Interrupting) But I don't know it.

Q. I understand. Do you remember who proposed the resolution?

A. I don't remember that.

* * * * * * *

b. Extracts from an Affidavit of Frank-Fahle, 10 June 1947, Concerning the Formulation of the Minutes of the Meeting of the Commercial Committee of Farben's Vorstand

PARTIAL TRANSLATION OF DOCUMENT NI-5169
PROSECUTION EXHIBIT 360

AFFIDAVIT OF FRANK-FAHLE, 10 JUNE 1947

AFFIDAVIT

I, Dr. Guenther Frank-Fahle, employee of I.G. Farbenindustrie from 1933 to 1945, titular director of I.G. Farben from 1935 to 1945, and secretary of the Commercial Committee [Kaufmaennischer Ausschuss (KA)] from 1937 until 1945, after having been warned that I will be liable to punishment for making a false statement, hereby state the following of my own free will and without coercion:

* * * * * * *

RECONSTITUTION OF THE COMMERCIAL COMMITTEE (KA) IN 1937

5. In August 1937, Dr. von Schnitzler assembled the first meeting of the reformed Commercial Committee (KA). I had already been told by Dr. Ilgner, before this first meeting, that I was to be the secretary [Protokollfuehrer] of the reformed Com-

mercial Committee. Dr. von Schnitzler informed us at the first meeting that the Commercial Committee was being reconstituted upon the authorization of Dr. Carl Bosch, then chairman of the Aufsichtsrat, and Dr. Hermann Schmitz, then chairman of the Vorstand. It was also made clear that the Central Committee [Zentralausschuss (ZA)] had given its approval to the reorganization of the Commercial Committee.

* * * * * * *

THE MINUTES OF THE KA MEETINGS

11. The minutes of the meetings of the Commercial Committee were prepared by me, and signed by Dr. von Schnitzler and me. Since there were differences of opinion on the part of some of the members as to the manner in which the occurrences should be recorded in the minutes, I asked some of the members concerned for various data which were incorporated in the minutes, as for example Dr. Kugler (concerning price questions and other matters), Dencker (concerning excess profits), and Ilgner or his assistant Bachem (concerning matters with regard to southeastern Europe or Norway). In case the KA had not come to an agreement or there had been conflicting discussion over some matters, I merely noted in the minutes that the matter had been discussed or was postponed for later consideration. In a few cases, I did not note the matter at all. I prepared the first draft of the minutes in such manner that this first draft could be used by Dr. von Schnitzler in the Vorstand meeting, ordinarily held the next day, and also that Vorstand members who had participated in the meeting of the Commercial Committee had an opportunity to alter the minutes to their satisfaction. Thereafter, I incorporated any amendments made by the members into the minutes. Whenever an agreement or a decision, which was arrived at in the Commercial Committee was reversed or substantially modified by the Vorstand, I merely noted in the minutes that the matter had been discussed. I tried to keep the minutes in such a fashion that they could act as an "aid memoire" so that the persons present could make use of the minutes in relaying the proper information to the members of their departments which had to carry out some of the resolutions passed by the Commercial Committee and which should be informed about the questions discussed in the meetings. Questions dealing with the so-called "Mobilmachungsfragen" [mobilization questions] were subject to the Reich security regulations [Geheimhaltungsverordnungen]; consequently, whenever such questions were discussed in the meeting of the Commercial Committee, I merely noted that mobilization questions had been

discussed. I know of no case where the minutes of the meetings represent falsely what transpired in the meetings of the Commercial Committee. I recall one instance where the minutes were made with a view to "window dressing," so as to counterbalance criticism by Party organizations as, for example, the Foreign Organization [Auslandsorganisation] of the NSDAP. There an entry was made that no representatives of I.G. Farben should be sent abroad unless they were members of the D.A.F. [German Labor Front], and approved by the Foreign Organization, and that their attitude should be in agreement with the objectives of national socialism. Since already at that time all persons going abroad had to be members of the German Labor Front and had to be approved by the Foreign Organization of the NSDAP, this entry was principally made as a matter of "window dressing," since it changed nothing.

At this time I can recall no further examples of such "window dressing," with the exception of one or several of the minutes during the last period of the war. At that time, I used in the preamble of the minutes the wording that all following discussions took place under the viewpoint to combine all efforts for the defense of the country, in order to eliminate right from the start any possible criticism of defeatist formulations of the minutes. The wording of the minutes concerning resolutions on price regulations were always carefully checked by the members directly concerned, since they did not wish to give a basis in the minutes for attack by the Reich authorities concerning their calculations in these complicated questions. The final draft was presented to Dr. von Schnitzler, who signed it and sent it back to me in Berlin. After I had signed the minutes, they were reproduced and circulated by the Bureau of the Commercial Committee [BKA]. I recall that the following received copies of the minutes of the Commercial Committee meetings: all members of the Commercial Committee; the chiefs [Leiter] of Sparte I, II, and III; the chairman of the Vorstand and the Aufsichtsrat (Bosch from 1937 to 1940, and Krauch from 1940 to 1945); all members of the Central Committee of the Vorstand; the TEA [Technical Committee]; the ZA [Central Committee]; the various secretarial offices [Sekretariate] of the Sales Combines; the heads of all departments of Berlin NW 7; and, as well, numerous other persons and offices within I.G. Farben. At least 50 copies of the minutes were circulated throughout I.G. Farben. In a few instances, there were objections as to the wording of the minutes, after the minutes were circulated. In case these objections proved to be justified, the minutes were amended accordingly.

* * * * * * *

19. This statement has been worked out over a period of time involving a few weeks. After careful deliberation and reconsidering of all points, I think that the statement presents a true picture of the KA as I came to know it. I have read each of the 23 pages of this statement and have placed my signature at the bottom of each page. I have made the necessary corrections in my own handwriting and have initialed each correction in the margin of each page. I declare herewith under oath that I have stated the full truth to the best of my knowledge and belief.

Nuernberg, 10 June 1947 [Signed] GUENTHER FRANK-FAHLE

2. TESTIMONY OF DEFENDANT MANN

[Statement from the judgment concerning personal history, positions, and affiliations of defendant Wilhelm Mann:

"*MANN, Wilhelm*: Born 4 April 1894, Wuppertal-Elberfeld. Commercial School graduate; 1931–1934 deputy member of Vorstand; 1934–1945 full member of Vorstand; 1931–1938 member of Working Committee; 1937–1945 member of Commercial Committee; 1931–1945 Chief of Sales Combine Pharmaceuticals; 1926–1945 member of Farben Pharmaceuticals Committee; chairman of East Asia Committee; official or member of numerous control groups in Farben concerns (including chairmanship in 'DEGESCH').

"Member of Nazi Party; member of SA with rank of lieutenant; member of German Labor Front; Reich Economic Judge; member of Greater Advisory Council, Reich Group Industry; member of many scientific organizations."]

EXTRACTS FROM THE TESTIMONY OF DEFENDANT MANN*

DIRECT EXAMINATION

* * * * * * *

DR. BERNDT (counsel for defendant Mann): What was your attitude towards the persons persecuted in the Third Reich for political or other reasons?

DEFENDANT MANN: I always tried to help, wherever possible, the persons persecuted for political or racial reasons. I think, Counsel, that the documents you will submit to the Tribunal will make that clearer and plainer than if I gave you a long explanation on the matter.

Q. Well, perhaps you can just give me one incident and one experience you had.

A. Just in my efforts to help persons persecuted for political or other reasons, I had considerable difficulties because I was closely watched by a Gestapo official, an employee of Bayer who was a member of the Gestapo, and he again and again tried to

* Complete testimony is recorded in the mimeographed transcript, 31 March, 1, 2, 3, and 5 April 1948, pp. 10278–10306; 10319–10478; 10570–10626, and 10646–10663. Further extracts are reproduced below in section VII D 4 *a* 1 and in section VIII E 4, vol. VIII, this series.

interfere if I wanted to help the person involved in these political actions, and to prevent me from helping.

* * * * * * *

DR. BERNDT: Now you know that the prosecution has submitted documents; for instance, the minutes concerning a decision of the Commercial Committee, from which the prosecution wants to draw the opposite conclusions. In document book 14, that is Prosecution Exhibit 365 (*NI–4862*)*, the prosecution draws conclusions in the opposite direction. I ask you to explain that in a few brief words.

A. Well, that has already been discussed here also. In this decision, it was stipulated that Mr. von Schnitzler was to have a discussion with the Foreign Organization in order to carry out the unified discharge and release plan. I can really say that it was the opinion of all of the members of the Commercial Committee to take this position in order to use it as a basis for negotiations with the Foreign Organization. Negotiation was the aim whenever possible, to safeguard the execution of our wishes.

The formulation of minutes repeatedly has been explained with expressions like "window dressing," "camouflage," or "finding a backing." The situation is always the same, because to the then-existing government agencies, one always wanted to give the appearance of a correct execution in the sense of the orders, but in practice we wanted to act in such a way that all considerations of a humane and social nature were taken into consideration in every individual case.

* * * * * * *

3. TESTIMONY OF DEFENDANT GAJEWSKI AND LETTER FROM THE REICH MINISTRY OF ECONOMICS TO DEFENDANT GAJEWSKI

[Statement from the judgment concerning personal history, positions, and affiliations of defendant Fritz Gajewski:

"*GAJEWSKI, Fritz*: Born 13 October 1885, Pillau, East Prussia. Ph.D. in chemistry; 1931–1934 deputy member of Vorstand; 1934–1945 full member of Vorstand; 1929–1938 member of Working Committee; 1933–1945 member of Central Committee; 1929–1945 member of Technical Committee (first deputy chairman 1933–1945); 1929–1945 chief of Sparte III; 1931–1945 chief of Works Combine Berlin; manager of Agfa plants; member of board in numerous other subsidiaries and affiliates, including DAG.

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* Not reproduced herein. The minutes in question read:
"*Supplementation of Personnel in our Agencies abroad and Collaboration with the Foreign Organization (AO)*
The Sales Combines are to send to the Bureau of the Commercial Committee lists of the non-Aryan employees working abroad, together with proposals for the gradual reduction of their numbers. Dr. von Schnitzler will then discuss with the Foreign Organization the *uniform reduction* on the basis of these lists."

"Member of Nazi Party and German Labor Front; member of National Socialist Bund of German Technicians and of Reich Air Raid Protection Bund; Military Economy Leader; member of several scientific and economic groups.]

EXTRACT FROM THE TESTIMONY OF DEFENDANT GAJEWSKI[1]

CROSS-EXAMINATION

* * * * * * *

MR. AMCHAN: Dr. Gajewski, you referred to the construction of the new film plant at Landsberg in about 1938 as being a normal business expansion. Is it not a fact that one of the main reasons for that new plant was to supply the Luftwaffe with an aerial film? Is that a fact?

DEFENDANT GAJEWSKI: No. Aerial film? No. We made regular film. Kodak had the same kind, and perhaps Perutz had them too. But to go there specially for an aerial film—it is possible that we gave some authorities a military pretext so we could get construction going, but we didn't have to go to Landsberg for aerial film. We made all the aerial film at Wolfen.

Q. Now, I show you Document NI–13530 which we offer as Prosecution Exhibit 1947,[2] which is a letter addressed to you on 28 September 1938, by the Reich Ministry of Economics. I call your attention to the first paragraph, and I ask you whether or not that refreshes your recollection, whether one of the main reasons for erecting the plant at Landsberg was to cover the requirements of the Luftwaffe for an aerial film?

A. No, your question is not right. It was not one of the main reasons, as is quite clear here, and as I said before, from memory, there were several reasons given, very important reasons. When I wanted to build a plant for color film, I couldn't tell the authorities at a time like that that I want to make color film. They would have laughed at me. They would have said, "We won't give you any iron for that." But if I go to them and say, "I want to make aerial film too," then I get it immediately. And besides, a very important reason for our going to Landsberg, as paragraph 3 says, was to take pressure off the labor supply engaged in the production of artificial fiber. The dearth of workers would have become even greater by the expansion of Wolfen. This is the same as with the Steuerorgangesellschaft; there, we gave them a pretext in order to get the approval. Our main reason was our epoch-making invention. In order to build Landsberg and to make color film, this [production of aerial film] was merely a pretext we gave

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[1] Complete testimony is recorded in the mimeographed transcript, 2 and 3 March 1948, pp. 8174–8333.

[2] Pertinent parts of this exhibit are reproduced immediately following.

these people. We did not make a square foot of aerial film at Landsberg.

Q. Now, Dr. Gajewski, do I understand you to say that you intended to deceive the Wehrmacht with respect to the purpose of construction of this plant?

A. Well, "deceive" is a wrong term. Let's call it "window dressing."

Q. Well, would that have been sabotage in the German Reich?

A. One could interpret it that way. In one case, you say I should have committed sabotage; and in another case, you say I wasn't supposed to commit sabotage. I am of the opinion that that was just a pretext. We didn't make one square meter less of aerial film for the Wehrmacht; we were able to produce it all at Wolfen.

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT NI-13530 PROSECUTION EXHIBIT 1947

LETTER FROM THE REICH MINISTRY OF ECONOMICS TO THE DEFENDANT GAJEWSKI, 28 SEPTEMBER 1938, CONCERNING A NEW FILM FACTORY AT LANDSBERG

Berlin W 8., 28 September 1938
Behrenstrasse 43

The Reich Minister of Economics
I Chem 183/38g

Registered
Strictly Confidential

To: The I.G. Farbenindustrie A.G.,
Management

[Stamp]
Secretariat Dr. Gajewski
Received: 5 Oct. 1938

Attention: Director Gajewski or Deputy
Wolfen (Kreis Bitterfeld)

Reply:

Film Factory.

SECRET

SECRET [Stamp]

[Stamp] 1. This is a State Secret in accordance with Par. 88 of the Reich Penal Code, version of 24 April 1934 (Reich Law Gazette) pages 341, etc.

2. Only to be passed on when sealed, if through mail, send registered.

3. Addressee is responsible for safekeeping.

Re: New film factory Landsberg/Warthe

From your repeated verbal statements, particularly during the conference of 9 September 1938 in my Ministry, about the purposes and aims you have for the construction of a new film factory, I have gathered that the construction of this plant is to be carried out for the following reasons:

1. In order to enable the Luftwaffe to cover its requirements of aerial film in accordance with the demands of the Reich Air Ministry, this film is to be produced at another I.G. Farbenindustrie plant apart from the film factory Wolfen.

2. The increased demand for equipment, which is necessitated by the introduction of color film production, is to be fulfilled without decreasing the present amount of business in the field of regular black and white film, particularly in foreign markets.

3. The labor situation in Wolfen is to be relieved in favor of the other plants there which have been greatly expanded in the interests of the Four Year Plan, particularly those producing rayon staple; and this is to be done by moving the film production, which requires a great deal of manual labor, to Landsberg/Warthe, where settlements are needed for political reasons.

* * * * * * *

By order

Signed: LOEB

CERTIFIED

[Stamp] Reich Ministry of Economics.

[Signed] LINDSTAEDT Office Employee.

4. AFFIDAVIT AND ORAL TESTIMONY BY DR. KRUEGER, DEPUTY OF THE DEFENDANT ILGNER IN FARBEN'S BERLIN NW 7 ORGANIZATION

a. Affidavit of Dr. Kurt Krueger, 18 March 1947

PARTIAL TRANSLATION OF DOCUMENT NI–4928
PROSECUTION EXHIBIT 378

AFFIDAVIT

* * * * * * *

According to my memory, it was in 1928 that I joined the Central Finance Administration of I.G. Farbenindustrie, which had been established by Dr. Max Ilgner in 1926/27 in Berlin NW 7, in the Laenderbank Building. I was a coworker of Ilgner there, became Prokurist of Farben soon after that, and received, as I remember, the title Director, in 1934. I helped to build up the Central Finance Administration and also was the deputy of Ilgner in the other departments of the NW 7 organization which were later on built up around the Central Finance Administration.

In October 1944, I changed over to the Stickstoff-Syndikat in order to get acquainted with the work as successor of the manager, Dr. Heinrich Oster. My position as deputy chief of Berlin NW 7 and my knowledge of its activities up to 1944 enable me to make the following statements:

The Berlin NW 7 organization of Farben was conceived as a central point for the widespread financial and commercial interests of IG. It was the exclusive and personal creation of Ilgner who founded it more or less against the resistance of the Vorstand of IG and who continually expanded it. The economic development in Germany, especially after 1933 with the beginning of the state-guided economy, caused this organization to assume gradually more importance after all than had been expected by its critics.

These circumstances aided Dr. Ilgner in his attempts to create with his organization within and outside of IG, a platform for his highly ambitious personal plans. Ilgner had great ambitions, but greater still was his conviction that he was destined to do great things, as well as his unusual desire for acclaim and acknowledgement, which drove him to try to play a role in public life. His activities were, therefore, never restricted to the work within the IG, but he always strove to go beyond the confines of the firm into the field of general economics, where, in committees and advisory councils, some of which were initiated and created by him, he sought his real sphere of activity, and to which he

devoted more interest and time than to his work within the IG. These included the Wirtschaftsfuehrerkreis, Karl Schurz Association, International Chamber of Commerce, Central European Economic Diet, Southeastern European Committee of German Industry, etc. He made a habit of using to a large extent the offices in Berlin NW 7 that he had created, and their personnel, for his tasks which had more general aims. He continually called particularly upon the Volkswirtschaftliche Abteilung (VOWI) [Economic Research Department] to complete economic projects which went far beyond the more confined interests of IG (such as international stabilization of currency, industrialization of agrarian countries, the Rumanian Danube reeds project). Since its foundation, which was probably in 1928, this department was intended not only for IG purposes, but as an institute serving the entire German and non-German economy, meant to concern itself with all current questions of world economy and to carry on an active exchange of thoughts and materials with similar institutions in Germany and abroad. (This idea, which Ilgner completely made his own, originally came from Wichard von Moellendorff, and was, in my opinion, adopted by him to gain reputation and standing in public life.) The publications of VOWI found general acclaim, the demand for them grew steadily, so that the number of orders for special reports, which came from the outside more than from IG, increased.

Ilgner used the first of the more important publications, the "Europa Atlas," as well as all subsequent major VOWI publications dealing with general economic problems, as his personal calling card. In Ilgner's appearance and work he manifested a tendency to identify his own personal interests with the business interests of IG, so that it can be said that his private and business interests did not appear to be divided, but rather seemed to be interfused. After Hitler took over the government, Ilgner followed the new trend with "banners and coattails flying," and tried to make connections in order to "be in on things" and to be able to take part. However, it cannot really be disputed that he had the hope to be able to influence developments in a way favorable to the German economy. In compliance with this attitude, he made haste to conform to the official party line and observe the institutions and outward forms of the Nazi regime (May Day celebration, German salute, flags, competition for the Gold Banner, etc.). However, this was not only Ilgner's endeavor, but that of the whole leadership of IG (Vorstand and directorate), who, in this way, tried to secure the interests of IG which they thought threatened under the new regime, with which they felt they had a bad name. The tendency to ingratiate oneself with

the new powers showed itself everywhere. The entry into the Party and its various organizations of the largest possible number of people of the Farben leadership, and the granting of requests for financial aid brought to them, were regarded as suitable means to this end. I was under the impression that, at least in the first months, the possibility of being able to make contributions was quite favorably looked upon in the hope of creating favorable feelings towards the IG. This policy of making contributions was a matter for decision by the Vorstand, and later by the Central Committee, which had to approve the larger contributions. Those up to, as I recall, 2,000 marks could be made at the discretion of the local works managements in individual cases.

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I have carefully read each of the thirteen pages of this declaration and have signed them personally. I have made the necessary corrections in my own handwriting and initialed them, and I declare herewith under oath that I have given the pure truth to the best of my knowledge and belief.

18 March 1947 [Signed] KURT KRUEGER

b. Extracts from the Testimony of Prosecution Witness Dr. Kurt Krueger[1]

CROSS-EXAMINATION

* * * * * * *

DR. NATH (counsel for defendant Ilgner) : Dr. Krueger, in your affidavit (*NI–4928 Pros. Ex. 378*)[2] you expressed yourself quite frankly and openly about my client (on page three) ; that, in 1933, as you say, he tried to establish contact by all means with the new regime with his "coattails flying." Witness, you will remember what we all experienced this time in Germany as well. Do you agree with me that, at that time, when Hitler assumed power, many people in Germany counted on and hoped for an improvement of the economic conditions of Germany and that this was also the case as far as Dr. Ilgner is concerned?

WITNESS DR. KRUEGER: Yes.

Q. In your affidavit you say Dr. Ilgner wanted to be one of the "boys" who wanted to be "in on it." Would you call that an attitude which would let Dr. Ilgner appear as a typical National Socialist who also supported the slogans of the National Socialist

[1] Complete testimony is recorded in mimeographed transcript, 28, 29 October, 17 December 1947, 9 April 1948, pp. 2941–3029, 4693–4707, 11131–11163.

[2] Pertinent parts of this affidavit are reproduced immediately above.

regime, as for instance the Jewish question and the question of the politically persecuted?

A. No, by the expression "with banners and coattails flying" I wanted to try to depict the assiduity with which Dr. Ilgner who always was very impulsive, tried to establish this contact. I mean, German industry, the big corporations, seemed to have missed the bus; and Dr. Ilgner tried to establish contact, as I said, with "banners and coattails flying," and for himself he wanted to find the necessary platform in order to continue to work on his ideas which, as could generally be observed, were certainly not in conformity with official policy. I believe one could say, to use another analogy, that he was not on the official tracks but on his own tracks. The Party observed this and consequently he was always suspect, especially because it could not remain hidden that he was an opponent of practical anti-Semitism, not to mention the idealistic aspect. He helped many people who were persecuted on account of their race and he granted them—one cannot call it otherwise—asylum in the IG. He tried to make it clear to himself, and also to others, that they were taken in order to be granted asylum and at the same time could be useful to IG; but if you look upon the final result one might say that it was nothing else but creating an asylum.

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REDIRECT EXAMINATION

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MR. SPRECHER: Now I would like to ask you one or two questions to straighten out my own mind here about this question of hiding one's anti-Nazi feeling from the Nazis at the same time that one was ingratiating oneself with the Nazis.

Did this, for practical purposes, so far as you know, make any concrete difference so far as the Nazis were concerned in connection with your former chief, Dr. Ilgner? Did it lead to any consequences because he was unable to keep hidden his real anti-Nazi feelings as you said?

DR. KRUEGER: Well, I will put it this way. May I make it clear to you in this way? If one listened to Dr. Ilgner, at a public speech, or if one saw his official correspondence, any person who did not know him more closely, would have to be struck by the idea that he was a confirmed Nazi. This was not unfavorable for our business. But if one saw Dr. Ilgner in his practical everyday work, and in his decisions where it was really a matter of showing whether one was a Nazi or not, I have in the many years of my connections with him never observed that he had a Nazi attitude. I was very sensitive on that point because in business

matters and in political matters I was an opponent, and in this question, and in many questions, politically and the like, this was the difference between me and perhaps most of the gentlemen of I.G. Farben. I am perhaps also different from most people in that I consider myself to belong to the minority which adheres to that principle which was recently stated by the Dutchman, Jess Glass [Yesglas], "I hate the bad in my own nation more than in other nations." And I see the great difference of the inner attitude of the Germans, how far they go when their loyalty to their Fatherland is demanded without being convinced as to whether the Fatherland is still following the right course. I belong to the very few people who had drawn that conclusion at a very early time, and in consequence I was politically an opponent of Dr. Ilgner, who was not a National Socialist, but who was a patriot and who hoped to be able to remain a patriot to the last moment.

Q. I do not want to tell you how to answer your questions, but Dr. Krueger, would you please try to be a little briefer? Mr. President, I hope you do not mind my observation.

PRESIDING JUDGE SHAKE: Very well.

MR. SPRECHER: Will you tell us whether or not it could fairly be said that the propaganda group of the industrialists which was formed in 1933, and which you say existed until 1934, had the purpose primarily of putting forward the best foot of the Third Reich?

A. Yes.

Q. You spoke about the 1st of May 1933 on cross-examination. Do you know what happened on the 2d of May 1933 to all of the leaders of the German Trade Unions?

A. Yes.

Q. That was published broadly in the papers at the time?

A. Yes.

Q. You mentioned the question of "howling with the wolves" once in a conversation with me. I believe you said that it was a policy of "howling with the wolves." Is that correct?

A. Yes.

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RECROSS-EXAMINATION

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DR. GIERLICHS (associate counsel for defendant Schmitz): Dr. Krueger, I only have one question. Mr. Sprecher has just asked you whether it was correct that in a conversation you used the expression "to howl with the wolves." The defense can do very little with your affirmative statement if it does not see the con-

nection. I take it that Mr. Sprecher had the intention, although he did not show us in any way in what connection this took place, of wanting to characterize the attitude of the defendants, or some of the defendants. Could you tell us, for the purpose of clarification, at which occasion and in what connection this remark was made?

MR. SPRECHER: Mr. President, I scarcely feel that it is necessary to the Tribunal that defense counsel indicate what they think my purpose was in this connection. If it is part of a question, they can ask the fact.

PRESIDING JUDGE SHAKE: As the Tribunal sees it, this phrase that's now being inquired about was mentioned in the testimony of this witness. It's certainly proper for counsel for the defense to ask the witness directly as to what he meant, what he means by the use of that expression. If, that is, as we take it to be in a general way, the purpose of counsel for the defense, it's proper.

DR. GIERLICHS: Answer my question.

DR. KRUEGER: This morning, I said this was a very difficult decision; at least, it was a very difficult decision for many people —how one was best to conduct oneself after Hitler came to power. I also mentioned that Bosch, von Moellendorff, Hummel, and Kalle inclined to an attitude which would have meant rejection or even a negative attitude; but since, after all, the majority was of the view that such an attitude would have cut at the life roots of I.G. Farben, that it did represent a personal luxury if the firm would follow the idea of resistance, that for men who were responsible for the enterprise it was not a starting point for practical management because it would not lead to any success and, at this juncture, the majority—at least that's how I saw it and how I felt it and how I heard it—the majority believed that the strategy of "howling with the wolves," as one says in German, that this strategy would be the best.

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VI. DESTRUCTION OF DOCUMENTS

A. Introduction

Tons of documents of the Farben Konzern were destroyed by Farben officials shortly before the Allied occupation of Germany in 1945. Officials of the Farben Konzern testified that this was done upon orders of the counterintelligence officers of the German Army and the German Police. This section contains an affidavit on the destruction of documents by Karl von Heider, an official of Farben and a counterintelligence officer at Farben's central headquarters in Frankfurt, followed by the examination and cross-examination of von Heider on this matter (subsec. B). The last selection reproduced here is an affidavit of Dr. Struss, Chief of the Technical Committee of Farben's Vorstand (subsec. C). Although Struss was called for oral examination several times, he was not examined further about the destruction of documents. Judge Hebert, in his concurring opinion on the dismissal of the charges of aggressive war as to all defendants, stated in his opinion that the destruction of documents may have been the decisive factor in the prosecution's failure to establish criminal knowledge of plans for aggressive war beyond a reasonable doubt (sec. XIV, vol. VIII, this series).

B. Affidavit and Testimony of Dr. von Heider, Farben Official and Counterintelligence Officer

1. AFFIDAVIT OF DR. KARL VON HEIDER

TRANSLATION OF DOCUMENT NI-9126
PROSECUTION EXHIBIT 661

AFFIDAVIT OF DR. KARL VON HEIDER, 25 JULY 1947

AFFIDAVIT

I, Karl von Heider, Frankfurt a/M., Grillparzerstr. 83, having been warned that I shall be liable to punishment for making a false statement, state herewith under oath, of my own free will and without coercion, the following:

1. On 19 June 1921, I went to work for the Chemische Fabrik Griesheim-Elektron, Frankfurt/M., one of the parent firms of Farben, and since that time have been employed continuously by Farben.

In 1927, I became Prokurist; in 1934, I received the title of Director. Until 1938, I directed various departments of the Sales Combine Chemicals. In 1939, I took over the supervision of all European agencies of the Sales Combine Chemicals, with the exception of Germany, Switzerland, and the eastern countries. During the war, I gradually took over the supervision of all sales departments selling inorganic chemicals. In 1943, I became a member of the Commercial Committee and, as of 1 January 1944, a member of the Chemicals Committee.

2. In addition to my positions in I.G. Farben, I was appointed Abwehrbeauftragter (counterintelligence officer) about the beginning of 1938. Before 1943, the Abwehrbeauftragten were appointed by the Wehrmacht and were subordinated to the local military security office. About 1943, through an agreement between the military authorities and the Reichssicherheitshauptamt (Reich Security Main Office) the Abwehreauftragten were subordinated to both authorities and had military as well as police security functions. In 1944, the military security offices and therefore, also, the Abwehrbeauftragten, were subordinated to the Reichssicherheitshauptamt. The directives for the Abwehrbeauftragten, issued by the High Command of the Armed Forces, and entitled "Service Regulations for Abwehrbeauftragte," and the directives issued by the Reichssicherheitshauptamt called "Service Regulations for Political-Police Abwehrbeauftragte" were burned before the occupation.

My sphere of responsibility was confined to the administration building at Grueneburgplatz, Frankfurt a/M. My duties were:

a. to eliminate untrustworthy people from confidential work;

b. to arrange security measures for the control of correspondence, telegrams, teletype messages, and telephone calls;

c. to warn the staff to be careful in their discussions inside and outside the office, especially when travelling abroad;

d. to publish and circularize orders and instructions received from the military security offices and the Gestapo regional headquarters.

3. Prior to the Allied occupation of Germany, I received telephone instructions from the security office to have all confidential files burned in time to avoid seizure by the enemy. According to the directive, I informed Mr. von Schnitzler and instructed the heads of departments to burn all secret Army matters, secret Reich matters, classified matters, and any other files that might

be useful to the enemy. Among others, all records were to be destroyed which showed dealings with the Wehrmacht and other war agencies of the Third Reich with respect to armament. Selection of such files was made by the head of the departments and their deputies; in doubtful cases my decision was asked for.

4. After the Allied occupation of Germany, I was instructed by the IG investigation team officials to obtain from the responsible people in each department of I.G. Farben as complete a list as possible of all files burned or otherwise destroyed. I had such a list compiled in each case by the head of the department, or his deputy, or the employee best informed, and I warned everyone not to conceal anything and to do his best to reconstruct such a list of contents by memory where records were not in existence.

5. There follows a compilation in condensed form of the various lists which I received from these officials and which I forwarded on 15 May 1945 to the IG investigation team. The list indicates the names of the departments and the persons who prepared the list for the respective department, and their positions.

I. A. *Bureau of the Central Committee.* List prepared by Hermann Baessler, office manager of this Bureau.

The important files destroyed in this office are—

1. Minutes of meetings of the Vorstand.
   Minutes of meetings of the Aufsichtsrat.
   Minutes of meetings of the Central Committee.
   Minutes of meetings of the Working Committee.
   Minutes of meetings of the Commercial Committee.
   Minutes of meetings of the Purchasing Commission.
   Minutes of meetings of the Dyestuffs Committee.
   Minutes of meetings of the Chemicals Committee.
   Minutes of meetings of the Patents Commission.
   Minutes of meetings of the Legal Committee.
   Minutes of meetings of the Propaganda Commission.
   Minutes of meetings of the board of directors and section chiefs of the various Farben plants.

2. Data for the quarterly and annual report to the Aufsichtsrat, and the reports themselves.

3. Data covering participation of Farben's foreign firms, as well as documents on I.G. Farben plants.

4. Circular letters from the Political-Economic Policy Department (WIPO) Berlin, concerning questions of commerce and foreign exchange.

5. Index of Farben's confidential agents.

6. Secret circular letters from Department A (Abwehr), Berlin, and from the office of von Heider regarding questions of security, home defense, plant visits, and publication of reports.

7. Reports regarding gifts and contributions to political organizations.

8. Statistics and compilations regarding turnover, wages, costs of propaganda, and employee statistics.

9. News reports from Farben Press Office.

10. Dyestuffs reports for Dr. von Schnitzler.

B. *Central Bookkeeping Department.* List prepared by Hans Muench, head of the Central Bookkeeping Department.

Mr. Muench states that on orders from the Abwehrbeauftragte, the following important files of the Central Bookkeeping Department were destroyed before the arrival of the Allied troops:

1. Records and correspondence regarding plants operated for the Reich or military authorities and agreements concerning deliveries and operation of plants, such as Four Year Plan installations.

2. Papers regarding negotiations with firms and individuals abroad which I.G. Farben had promised to keep secret, such as their interests in foreign concerns.

C. *Special Bookkeeping Department.* List prepared by Jakob Frey, head of Special Bookkeeping Department.

The important files destroyed by this office are—

1. All secret circular letters from the office of von Heider concerning security measures.

2. Older reports of our auditors regarding their audits of the following firms:

Copenhagen, A/S Anilinkompaniet.
Oslo, A/S Anilin.
Bergen, A/S Anilin.
Goeteborg, A.B. Anilinkompaniet.
Helsinki, O/Y Anilin A/B with subsidiary at Tammerfors [Tampere].
Riga, Agency "Latanil".
Lodz, Agency "Barwanil".
Warsaw, B. Fulde & Co.
Warsaw, Detekontor.
Bielsko, Agency "Bielanil".
Prague, "TEFA," Teerfarben- und Chemikalien-Handels A.G. with subsidiary at Bruenn [Brno].
Budapest, "Budanil," Farbenverkaufs A.G.
Bucharest, "Romanil," S.A. with subsidiaries Kronstadt [Brasov] and Temesvar [Timisoara].
Temesvar [Timisoara], "Timanil".
Zeiden, "Colorom".
Belgrade, "Juganil" k.d.
Belgrade, Anilin A.D. with subsidiary in Skoplje.

Zagreb, "Juganil" k.d. and/or "Anilokemika" with warehouse Zemun.
Sofia, Verkaufsgesellschaft Deutscher Anilinfarben.
Sofia, "Coloriska".
Athens, Farben- und Chemikalien-Handels A.G. "Athanil".
Athens, Karamessinis.
Istanbul, "Tuerkanil".
Zurich, Teerfarben A.G.
Milan, A.R.C.A., Azienda Riunite, Coloranti e Affini S.A.
Barcelona, "Unicolor".
Barcelona, Sociedad Electroquimica de Flix.
Porto, Sociedada de Anilinas Ltda., with subsidiary at Lisbon.
Paris, "SOPI," Société pour l'Importation de Matières Colorantes et de Produits Chimiques.
Brussels, "G.M.C.," La Generale des Matières Colorantes, Produits Chimiques at Pharmaceutiques Soc. Coop.
Arnhem, N.V. "Defa" Maatschappij voor Verfstoffenhandel "Defa Huis".
Rotterdam, "Wega".
Amsterdam, "Indanthren-Huis".
Cairo, Société de Matières Colorantes Allemandes, Waibel & Co.

3. Confidential correspondence with firms listed under paragraph 2, and the following named firms:

Shanghai, Deutsche Farbenhandelsgesellschaft, Waibel & Co.
Kobe, Doitsu Senryo Gomei Kaisha.
Mexico, Compañia General de Anilinas S.A.
Mexico, La Union Quimica, S.A.
Buenos Aires, "Anilinas Alemanas" Sociedad An.
Rio de Janeiro, Allianca Commercial de Anilinas Ltda.
Santiago de Chile, Anilinas Alemanas Cia., Ltda.
Bogota, Anilinas Alemanas Cia. Ltda.
Lima, Cia. General de Anilinas S.A.
Montevideo, Anilinas Alemanas S.A.

4. Correspondence regarding foreign exchange permits.

5. Balance sheets 1942 and 1943 of the Metallgussgesellschaft m.b.H., Leipzig, and production statistics for 1942, 1943, and 1944 for Aluminiumwerk G.m.b.H., Bitterfeld.

D. *Statistical and Accounting Departments, Sales Combine Chemicals.* List prepared by Karl Hisserich, deputy head of this department.

The following important files were destroyed:

1. Correspondence signed "03" between Farben Sales Departments, Farben plants, and the High Command of the Army regarding orders for chemical war materials.

2. Correspondence signed "06" between Farben, the Montan-Industriewerke G.m.b.H., and the High Command of the Army regarding leased plants, which were administered by IG as a trustee and operated directly or indirectly for the High Command of the Army. The destroyed files concerned the following plants and products:

Wolfen—	Intermediates for explosives; brake fluid and steam bath fluid [Kochbad-Fluessigkeit], stabilizers; Decontamination agents for arms.
Schkopau—	Intermediates for explosives; brake fluid and steam bath fluid [Kochbad-Fluessigkeit].
Doeberitz—	Intermediates for explosives.
Dyhernfurth—	Intermediates for explosives; poison gases.
Gendorf—	Intermediates for explosives; poison gases.

3. Correspondence regarding the plants at Auschwitz and the plants at Chemische Werke Huels G.m.b.H.

4. General correspondence regarding the Montan-Industriewerke G.m.b.H., producing by order and on behalf of the High Command of the Army.

5. Copies of invoices on executed deliveries.

E. *Statistical and Accounting Departments, Sales Combine Chemicals; Statistical and Accounting Departments, Sales Combine Dyestuffs; Hollerith [System] Department.* List prepared by Otto Lenhardt, head of Statistical and Accounting Departments, Sales Combine Chemicals, and Hollerith [System] Department.

On 23 March 1945 all copies of invoices on direct deliveries of chemical products to the Wehrmacht for the years 1940–1944, as well as all secret circular letters from the office of the Abwehrbeauftragten, were destroyed.

F. *Bookkeeping Department—Current Accounts/Germany.* List prepared by Guido Kretzschmar, head of this department.

The following important files were destroyed by this office:

1. Land register of Bezirk XI; files on current accounts of German customers.

2. Current account cards for the years 1944/45, covering sales of dyes, chemicals, and metals to the High Command of the Army, High Command of the Navy, the Reich Air Ministry, and the Central Office for Administrative Problems of the Luftwaffe.

3. Correspondence concerning payments with the High Command of the Army, the High Command of the Navy, the Reich Air Ministry, and the Central Office for Administrative Problems of the Luftwaffe.

4. Register of secret documents received as well as the documents themselves.

5. Correspondence regarding German-Swiss cartel agreements 1930–1939.

6. Personnel files; index to Hollerith product numbers for various chemical products.

G. *Accounting Department for Cartel Agreements.* List prepared by Walter Neumann, head of this department.

The following important files have been burned:

1. Copies of international agreements regarding sodium sulfide, zinc chloride, and vulcanization accelerators.

2. All statistics showing the yearly deliveries and average prices under various national and international agreements.

H. *Banking Department.* List prepared by Max Bangert, head of the Banking Department, and Otto Meyer, deputy head of the Banking Department.

1. All circular letters from the Abwehrbeauftragte and from the Political-Economic Policy Department (WIPO), which were classified "secret," "strictly confidential," and "confidential," were destroyed.

2. The files of the Foreign Exchange Control Group up to 1945 were also destroyed.

I. *Central Taxation Department.* List prepared by Dr. Karl Kolonits, an employee of this department.

In accordance with the directive from the Abwehrbeauftragte, documents regarding salaries of directors and employees abroad and referring to tax questions were destroyed.

J. *Central Insurance Department.* List prepared by Johann Reichert, head of this department.

The files which were destroyed in this department contained statements showing insurance values and ground plans of Farben plants and affiliated plants, as well as correspondence dealing with insurance matters of the German Government-owned plants at Gendorf, Dyhernfurth, Seewerk near Briesen, Doeberitz, Auschwitz, and Heydebreck.

K. *Personnel Department.* List was prepared by Walter Russmann, an employee in von Heider's office.

The following files were destroyed on 23 March 1945:

1. Personnel statistics.

2. Quarterly reports on personnel employed abroad.

3. Confidential circular letters regarding security.

4. Correspondence with the Gestapo.

5. Gestapo information leaflets.

6. Quarterly reports to the Gestapo on foreign employees in the administration office building.

7. File containing memorandums and instructions for the plant police (Werkschutz).

8. Minutes of discussions and make-up of Confidential Council and Employers' Advisory Council.

9. Secret circular letters from the Chambers of Industry and Commerce.

10. Official security regulations for war industries.

11. Secret circular letters from the security office of Wehrkreis IX in Kassel.

12. Warnings and information regarding individuals. Information received from Abwehr Office IX, Kassel.

13. Personnel data files.

14. Correspondence with military authorities regarding exemptions.

L. *Traffic Department.* List prepared by Theodor Mader, deputy head of this department.

The files destroyed in this department contained secret shipping instructions and directives for the camouflaging of secret shipments.

II. A. *Secretariat of Dr. von Schnitzler.* List prepared by Lieselotte Schmidt, secretary to Dr. von Schnitzler.

The following important files were destroyed:

1. Reports and correspondence from the Political Economic Policy Department (WIPO).

2. Financial statements for 1935 to 1939.

B. *Department of the Directorate Chemicals.* List prepared by Karl Brickert, head of this department.

The following important files were destroyed:

1. Secret plans regarding the contemplated distribution of the production of the European chemical producers after the war.

2. Confidential correspondence with agent firms abroad.

a. Advance Solvents & Chemicals Corp., New York.

b. Allianca Commercial, Rio de Janeiro.

c. Anilinas Alemanas S.A., Buenos Aires.

d. Chemicals Ltd., Montreal.

e. Swift & Co., Sydney.

3. Confidential sales statistics of all Farben products.

4. Secret files relating to war business with Japan and the Far East.

5. Secret files containing circular letters from the Political-Economic Policy Department (WIPO) and security directives from the office of the Abwehrbeauftragte.

C. *Legal Department Chemicals.* List prepared by Miss Siegrun Bojunga, an employee of this department.

Miss Bojunga states that she was present when Miss Frieda

Hafner, another employee of this department and former secretary to Dr. Bernhard Buhl, member of the Vorstand, said to Dr. Stein, head of the Legal Department Chemicals, that the copies of the correspondence and contracts with the Wehrmacht (Montan) concerning plants worked by other I.G. Farben departments, especially by Farben Ludwigshafen, had been burned. Mr. von Heider states that a file containing the total investments of Farben in new plants for war production was, according to Miss Hafner, burned too.

D. *Packing Department Chemicals.* List prepared by Carl Dey, head of his department.

Files were destroyed containing requests for iron supplies submitted to military authorities to be used on materials delivered to them, and certificates of urgency for the delivery of the materials ordered.

E. *Office of Mr. Haefliger.* List prepared by Berta Debus, Mr. Haefliger's secretary.

The following important files were destroyed:

1. Correspondence with various Farben plants and offices; correspondence regarding light metals, South America and the Far East, as well as private business correspondence; reports about visits to the United States and South America.

2. Reports from Vorstand of Aussig-Falkenau, Donau Chemie A.G., Vienna, Dynamit-Nobel A.G., Pressburg [Bratislava], and Griesogen/Autogen, as well as correspondence with these firms.

3. Correspondence with agencies in Italy and eastern Europe.

4. Records of air-raid damage in various plants.

F. *Office of Mr. von Heider.* List prepared by Gertrud Stehmann, Mr. von Heider's secretary.

The following important files were destroyed:

1. Production figures, reports, sales records, minutes and correspondence referring to caustic soda, liquid chlorine, sodium cyanide, carbon disulfide, tanning materials, light metals, and to the Sulfuric Acid Subcommittee.

2. Correspondence regarding the supplying of liquid chlorine to Anorgana Works, Gendorf, and Dyhernfurth.

3. Correspondence and circulars from Vermittlungsstelle W, Berlin, from 1935 to 1945.

4. Reports from agencies abroad.

5. Agreements for the building of hydrogen peroxide plants for the German Government.

6. Correspondence and agreements with Prof. Schmidt regarding the manufacture of electric lamps.

G. *Office of Mr. von Heider/Security Section.* List prepared by Walter Bussmann, employee of this department.

The following important records and files were destroyed on 21 March 1945.

1. All circulars and correspondence with the Chamber of Commerce, security offices, and the regional headquarters of the Gestapo.

2. Secret files containing the Abwehrplan [defense and security plan] and mobilization plan.

3. Correspondence with Farben plants and government authorities regarding security, safeguarding against sabotage and espionage.

4. All correspondence dealing with payments and deliveries of war materials to occupied, neutral, or allied countries.

5. Secret files containing information about certain individuals and visits of foreign guests to Farben plants.

6. Records, invoices, and information concerning sodium cyanide.

H. *Department A (Caustic alkalis and Alkali G.m.b.H.)*. List prepared by Walter Meier, deputy manager of that department.

The following important files were destroyed:

1. All secret correspondence with various Wehrmacht departments and government offices.

2. Minutes of meetings, statistics, production figures, correspondence and reports concerning caustic soda.

Elektrochemische Produkte G.m.b.H. List prepared by Hans Zwenger, deputy manager.

The following important files were destroyed:

Correspondence concerning caustic potash with the following foreign cartel partners:

Potasse et Produits Chemiques S/A., Thann (Alsace).
Ets. Kuhlmann S.A., Paris.
Bozel Maléton Soc. Ind. de Produits Chimiques, Paris.
Jan Dekker, Wormerveer (Holland).
Dansk Sojakagefabrik A.S., Copenhagen (Denmark).
Elektrokemiska A.B., Bohus (Sweden).

Department A III—Office for the distribution of bleaching powder. List prepared by Irmgard Klaiber, an employee in this office.

The following important files were destroyed:

1. Records and plants for new chlorine cartel agreements to be made after the war.

2. Circular letters from Reich Office Chemistry [Reichsstelle Chemie] concerning supply and prices of chemicals in occupied countries.

3. Correspondence with High Command of the Army regarding bleaching powder for air-raid protection purposes.

I. *Department C—Chemicals.* List prepared by Hans Wagner, Georg Vogel, Hermann Schoenfelder, and Karl Seebach, employees of this department.

The following important files were destroyed:

1. Secret and confidential correspondence with High Command of the Wehrmacht, Reich Office Chemistry, Farben Piesteritz, Farben Bitterfeld, and various customers, concerning the production, distribution, and delivery of phosphorus products.

2. Secret correspondence and records concerning deliveries of potassium chlorate for explosives, and prewar cartel agreements on exports of this chemical.

3. Correspondence concerning the construction of a plant in the United States for the manufacture of chlorate after the war.

4. All correspondence and memorandums with the High Command of the Wehrmacht and Farben Bitterfeld referring to production and deliveries of Naszogen (briquettes with chlorate base for producing oxygen), and permanganate of potash.

5. Records and correspondence regarding delivery and production of various auxiliary products for the manufacture of substitutes for the building industry, and memorandums regarding deliveries to army building sites.

6. Secret correspondence with High Command of the Army, Reich offices, Organization Todt, and various other customers regarding the delivery of Atramentol (phosphate solution for removing rust from metals).

J. *Chemicals Sales Department B.* Verkaufsstelle fuer Oxalsaeure und Ameisensaeure G.m.b.H. (Veroxam G.m.b.H.) [Sales Office for Oxalic and Formic Acid, Inc.] and Sextra Schwefel Extraktions- und Raffiniations G.m.b.H. [Sextra Sulfur Extraction and Refining Co., Inc.]. List prepared by Karl von Heider, a manager in IG's Sales Combine Chemicals.

Copies of sales agreements with firms all over the world were destroyed in order to avoid seizure by the enemy.

K. *Chemicals, Sales Department S* (Inorganic acids and their salts). List prepared by Julius Zimmermann, deputy manager of this department.

All statistical records dealing with the manufacture and sale of sulfuric acid and sulfurous acid, as well as records of monthly supplies of these chemicals to the High Command of the Army, were destroyed.

L. *Chemicals, Sales Department V* (Ethylene Group and White Pigments Section). List prepared by Hans-Joachim Grotowsky and Hans Eraht, heads of these subsections.

All files which contained correspondence and records of deliveries to the Wehrmacht, information on uses, and agreements on

luminous paints and titanium white, as well as correspondence with Leuchtstoff G.m.b.H., Berlin, were burned; also destroyed were files concerning capacities, production, and delivery of ethylene and ethylene derivatives, the correspondence concerning the planned purchase of the Lithopone-Fabrik Dieuze, together with Kali-Chemie and Sachtleben A.G., and information regarding the so-called "Peace Planning 1940" in which the planned development of the European business after the war was written down.

M. *Chemicals, Sales Department G* (Tanning materials). List prepared by Wilhelm Pfaff, a correspondent in that department.

All correspondence with Reich Office Chemistry regarding chrome products and tanning materials was destroyed. Minutes of the Chrome Subcommission were also destroyed. Production records, delivery records, and correspondence concerning ethylene and lithopone groups which had not been evacuated, were destroyed. One file containing the records of dealings with the Wehrmacht was also burned because it contained figures on capacities as well as postwar plans regarding the future production of chemicals.

N. *Schwefel G.m.b.H.* List prepared by Carl van Zuethphen, deputy manager of the Sulfatvereinigung G.m.b.H.

Minutes of this corporation and minutes of meetings with the Reich Ministry of Economics and Reich Office Chemistry were destroyed. Statistical compilations of production, import, and sale of sulfur, as well as reports of trips to Italy and Norway, were also destroyed.

O. *Office of Mr. Borgwardt.* List prepared by Helmuth Borgwardt, a manager in IG's Sales Combine Chemicals.

The following files and records were destroyed:

1. Production plans for buna, acetylene, and ethylene factories.
2. Reports regarding the plastic materials industry in Italy and France.
3. Technical reports of the Plastics and Rubber Committee.
4. Copies of lectures held before the Technical Committee.
5. Correspondence of Mr. Waibel concerning licensing of the buna process in Japan.

P. *Chemicals, Sales Department K* (Plastics). List prepared by Heinrich Grebe, head of this department.

The following files were destroyed:

1. Correspondence with Economic Group Textile Industry, Berlin, concerning the delivery of raw material for the manufacture of gas masks for civilians, and reports of Dr. Cramer regarding discussions held by the special committee handling the problem of manufacturing gas masks "M 44" for civilians.

2. All correspondence with military authorities regarding military uses of various plastics, such as coating cloth for protection against gas, the manufacture of detonating caps, the manufacture of land mine plugs made of cellulose, the production of ammunition for signaling purposes, the manufacture of gas filter material, and many others.

3. Circular letters concerning security measures and protection against espionage.

Q. *Chemicals, Sales Department K* (Rubber). List prepared by Ernst Schenck, a correspondent in this department.

Files containing technical report on the manufacture of buna, minutes of meetings of the Technical Rubber Committee, correspondence relating to buna production, stock records, sales records, production capacity statistics, and correspondence relating to the product buna were destroyed to prevent seizure by the enemy.

R. *Chemicals, Sales Department L and L (e) (Solvents and Acetic Acid Products)*. List prepared by Messrs. Udo Barthelmes, Rudolph Bistemer, Hermann Kaiser, and Wilhelm Krueger, of whom the first two were Prokurists and the other two head clerks [Handlungsbevollmaechtigte] in these departments.

The following important files were destroyed:

1. Secret files regarding materials for field exercises (Gelaende-Uebungstoffe).

2. Correspondence with Vermittlungsstelle W and I.G. Ludwigshafen concerning Fantol 5 S.

3. Secret and confidential inquiries from Wehrmacht authorities, Wehrmacht laboratories, research institutes, and firms regarding delivery of chemicals. Some of the offices from which inquiries were received were: Army Quartermaster, ordnance offices, Army experimental stations, Army Experimental Station Peenemuende, Army Gas Protection Laboratory Spandau, High Command of the Wehrmacht, and others.

4. Contracts and agreements with firms at home and abroad.

5. Secret correspondence with military authorities regarding delivery of technical gases and erection of oxygen plants during the war.

6. Correspondence with various firms regarding licensing and royalty agreements.

7. Secret files containing delivery and production records of government-controlled chemicals, such as acetone, methanol, formaldehyde, acetaldehyde, and derivatives.

8. Correspondence regarding production and delivery of other government-controlled chemicals such as mannite, sorbite, triethylene glycol (coating of textiles for gas protection), synthetic

glycerin trimethylolethone, glycerin substitutes, and other chemicals in which the High Command of the Army had an interest.

S. *Chemicals, Sales Department Z* (Intermediates). List prepared by Walter Flotow, head of this department.

All secret and top secret files containing purchase orders and directives from the High Command of the Wehrmacht, invoices, correspondence, production records, delivery records, reports, and statistics were destroyed. This department handled chemicals used in the manufacture of explosives and ammunition.

III. A. *Dyestuffs Sales Department, Raw Materials for Detergents.* Heinrich Koehler, department chief, states that the circulars issued by the office of the Abwehrbeauftragte concerning security questions were destroyed.

B. *Dyestuffs Sales Department Germany.* List prepared by Hans Benno Nowak, head of Section VII of Dyestuffs Sales Department Germany.

The following important files were destroyed:

1. The secret files containing estimates of requirements of dyestuffs and textile auxiliaries by the High Command of the Wehrmacht, and secret correspondence concerning deliveries to the High Command of the Wehrmacht, of camouflaging materials, materials for parachutes and tents, and gas resistant materials, were destroyed.

2. Secret correspondence with other firms concerning dyestuffs and its military uses were destroyed.

C. *Dyestuffs Sales Department Northern Countries.* List prepared by Willy Leister, office manager of this department.

Mr. Leister states that the files were destroyed on very short notice so that no records could be taken of the material in question. Due to the fact that this material was always kept under lock and key, being the exclusive domain of Mr. H. T. Winkler, deputy manager of this department, no member of the staff is in a position to reconstruct by memory the contents of these files. The files destroyed contained private correspondence of Mr. Winkler with our representatives in Sweden, Denmark, Norway, and Finland. Apart from this, all documents stamped secret were burned.

D. *Dyestuffs Sales Department Belgium.* List prepared by Otto Heyenbruch, head of this department.

All correspondence, memorandums, agreements, and important matters concerning the IG Sales Agency in Belgium were destroyed. Directives from the German Wehrmacht authorities in Belgium regarding prices were burned, too.

E. *Dyestuffs Sales Department France.* List prepared by Julius Overhoff, a titular director of IG supervising this department.

The following files were destroyed:

1. Correspondence and agreements between SOPI (IG agency in France) and I.G. Farben.

2. Correspondence concerning tax problems in France.

3. Minutes of meetings of the Commercial Commission of Francolor.

F. *Dyestuffs Sales Department Spain/Portugal.* List prepared by Julius Overhoff, a titular director of IG supervising this department.

Four folders concerning the general political and economic situation in Spain, and documents regarding the building of plants for new chemicals in Spain were destroyed.

G. *Dyestuffs Sales Department Near East.* List prepared by Willy Hermann, correspondent in this department.

About 25 letter files of Director Voigt, containing correspondence addressed to I.G. Farben agencies regarding instructions and administrative decisions, and secret files containing government instructions on prices and deliveries, were destroyed.

H. *Dyestuffs Sales Department Far East.* List prepared by Georg Spamer, head of the Japanese section of this department.

Secret files regarding shipments to Japan and China and letters concerning shipments by blockade runners to southeast Asia were burned. Plans for building new chemical factories in the Far East were also burned.

I. *Dyestuffs Sales Department Latin America.* List prepared by Julius Overhoff, a titular director supervising this department.

Files containing records of shipments, invoices, and correspondence with Latin American agencies were burned.

IV. *"Griesogen" Griesheimer Autogen-Verkaufs G.m.b.H., Frankfurt/Griesheim.* List prepared by Karl Arendt, a manager of this company.

About 50 secret files, containing correspondence with the High Command of the Wehrmacht, the High Command of the Army, the High Command of the Navy, and various firms regarding orders for special tools used for armament and military purposes, were destroyed.

I have carefully read each of the 15 pages of this declaration and have signed them personally. I have made the necessary corrections in my own handwriting and initialed them, and I declare herewith under oath that I have stated the pure truth to the best of my knowledge and belief.

[Signed] KARL VON HEIDER

2. TESTIMONY OF DR. VON HEIDER

EXTRACTS FROM THE TESTIMONY OF PROSECUTION WITNESS DR. KARL VON HEIDER[1]

DIRECT EXAMINATION

* * * * * * *

MR. SPRECHER: As to Document NI–9126, Prosecution Exhibit 661,[2] do you have any corrections?

WITNESS VON HEIDER: No corrections.

Q. Your Honors, I have only one or two short questions concerning this affidavit. Do you recall approximately the tonnage of the documents which were destroyed in Frankfurt, alone, as far as the I.G. Farben headquarters are concerned?

A. The people in the boiler house estimated it to be approximately 15 tons.

Q. Dr. von Heider, will you turn to page 8 of the original of the document where there is an entry under the letter B 1, that, according to the list prepared by Brickert, there were destroyed "secret plans regarding the contemplated distribution of the production of the European chemical producers after the war." Do you know to what those plans refer?

A. These plans refer to what we called peace planning. It refers to a plan which was worked out and emanated in the Reich Ministry of Economics and which stipulated conditions according to which the chemical industry was to be steered in a reasonable manner after peace had been established.

Q. Is that otherwise known as the New Order or "Neue Ordnung" Plan?

A. Yes, that means the same thing.

Q. I am sorry, Counsel, that was at page 8 of the original German. You will find the interenumeration in the affidavit. I don't know the exact page in the document book; under item B 1. Now, on page 18 of the original document, under the item Department A–III (in the list prepared by Klaiber), there is a reference to the destruction of the same type of documents. Does that also refer to the New Order Plan?

A. Yes.

Q. Do you have any further corrections to the last affidavit?

A. No.

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[1] Complete testimony is recorded in the mimeographed transcript, 2, 3 October 1947, pp. 1601–1655.

[2] Affidavit by witness Dr. Karl von Heider reproduced immediately above.

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DR. VON METZLER (counsel for defendant Haefliger): Witness, now I come to another affidavit. This is Prosecution Exhibit 661, that is Document NI–9126, Book 36, page 133 in the English, page 185 in the German.

You speak of the destruction of files. If I might interpolate something here, I should like to explain to the Tribunal that I intend to ask only very brief questions, because another defense counsel intends to discuss this subject in greater detail and the questions which my colleague will ask will refer to my client as well.

Now Witness, under II–E, you speak about the files that were destroyed. That is page 8 of the original document. You speak of the files which were destroyed in Haefliger's office. Witness, how did you learn what files were destroyed?

WITNESS VON HEIDER: As is stated in my affidavit, this list was compiled by the Frankfurt secretary of Herr Haefliger, Fraeulein Berta Debus, but I don't know whether Herr Haefliger was asked. He may have been asked what files were to be destroyed. At least, I was always asked by her. She then proceeded to compile the list. I think that she selected these documents and took them over to be burned.

Q. Then if I understand you correctly, you cannot make any definite statement about the contents of these files which were destroyed?

A. Generally, I cannot do that. I mentioned yesterday that altogether 15 tons of files were destroyed and it certainly was quite impossible for me to look through all these files.

Q. Then you cannot say what orders Haefliger gave about the destruction of files, or if he gave any orders at all?

A. Haefliger, as far as I know, gave no instructions about the destruction of files. These instructions were given by me as the counterintelligence officer (Abwehrebeauftragter).

* * * * * * *

DR. VON KELLER (associate counsel for defendant von Schnitzler): One concluding question, Witness. You just made a statement to my predecessor regarding the destruction of files. You said that you could not give any definite information as to the content of these files, on the basis of your own knowledge. Does this statement also refer to files which fall within the sphere or jurisdiction of Herr von Schnitzler?

WITNESS VON HEIDER: Yes.

DR. VON KELLER: Thank you. No further questions.

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DR. HENZE (counsel for defendants Kugler and Oster): Let me now, Witness, pass on to your affidavit which deals with the destruction of files, Document NI–9126. In this affidavit, Herr von Heider, you say that you were the counterintelligence officer of the main administration building at Frankfurt on the Main. From whom did you receive your orders concerning this activity?

WITNESS VON HEIDER: I was under the Abwehr, the military counterintelligence office. I was later under the jurisdiction of the RSHA, the Reich Security Main Office.

Q. Could the administration or the leadership of the firm give you any orders and interfere in your tasks?

A. No. According to instructions, I merely had to inform the manager of the plant, but it was up to me to carry out the measures. I believe that is right. I do not remember exactly.

Q. Witness, your affidavit refers to events in the main administration building in Frankfurt?

A. Yes.

Q. Is it true that the Sales Combine Chemicals, the Sales Combine Dyestuffs, the Central Bookkeeping Department, other central staff offices, and also the TEA [Technical Committee] were in that building?

A. Yes.

Q. Apart from the Sales Combine Pharmaceuticals, all departments of a commercial and administrative nature dealing with production in Sparte II were represented in the main administration building?

A. Yes.

Q. Herr von Heider, when you received this order for the destruction of the files, were you clearly told what was to be destroyed?

A. According to the official instructions (and I would assume that when I received the telephone calls I was told again), I was told to destroy what was of military use to the enemy. Or perhaps only what would be of use to the enemy.

Q. Let me ask you to specify this a little more by answering the following question: You said, "whatever may be of use to the enemy." Did you understand the order to mean that those files were to be destroyed which might be of use to the enemy for the conclusion of the war?

A. For waging the war, that is what I understood. The war was still going on at that time.

Q. My question was whether you mean material which would be of use to the enemy in order to end the war victoriously?

A. Yes.

Q. Was it your impression, Herr von Heider, that the order meant to include the destruction of files which would be important for investigations on the part of the occupational powers after the conclusion of the war?

A. Certainly not, and I do not think any of us ever considered that there would be such an investigation. We merely thought of what would be of use to the enemy in waging the war. All of my specific orders were made from this point of view.

Q. Herr von Heider, you passed on these directives in this very manner, without any addition?

A. I think so, yes.

Q. Did any other agency in the building, with whom you discussed this matter, give you any additional directives?

A. No. None could give me instructions. But I know that Dr. Struss said to me at the time that he had already discussed the subject with Dr. ter Meer, and that Dr. ter Meer had expressed the wish that as little be destroyed as possible.

* * * * * * *

Q. Witness, will you let me put a few questions to you regarding the selection of files which were to be destroyed? Is my impression correct, which I gained when studying your affidavit, that a number of files—a great number of files—were destroyed which actually did not have to be destroyed?

A. In answer to that I can say that when we were destroying files, we also destroyed some files which were considered unimportant, and I may add that, as I learned later, in the list of files which were reported destroyed there were some files listed which had already been destroyed earlier. I can give you a concrete example of that. The Directorate for Chemicals destroyed the files which I was asked about yesterday—the files on the New Order for Europe—as early as the middle of 1944, at a time when we issued instructions to limit the amount of papers as much as possible in the building to reduce the danger of fire in the case of an air raid with incendiary bombs.

Q. Thank you. I gained the impression that the destruction was carried out according to the judgment of the people who were in charge of the files. But let me first ask you whether the situation in the first quarter of 1945 was of such turmoil that sometimes there was a senseless destruction of files which ordinarily would not have had to be destroyed according to the intention of the order.

A. I can say that as far as I remember, my instructions concerning the files which were important for waging war were quite clear, and in answer to the many inquiries which I received,

I always repeated these instructions; but naturally it was left up to the department heads to decide what fell into this category and what did not. It is true that the burning of the files was done very hastily, and was repeatedly interrupted by air raids, and it lasted a week to 10 days.

Q. Thank you, Witness. In view of what you have just said, may I, in that light also evaluate the fact that within the sphere of the Chemicals, Sales Department B, upon your own instructions, and I quote, "copies of the sales documents with firms all over the world," were destroyed in order to avoid seizure by the enemy?

A. I believe that the translation is not 100 percent right here. It should not read "sales documents," but "sales agreements"; they were carbon copies of international trade agreements. When I was asked yesterday, I did not correct this, because I considered it unimportant.

MR. SPRECHER: Your Honor, that is correct; it is alright in the English; it is wrong only in the German.

MR. HENZE: Herr von Heider, did you convince yourself personally what actually was destroyed in the various departments, and what was being destroyed in the other departments after your instructions had been given?

WITNESS VON HEIDER: No, I have said repeatedly that I was not technically able to do that. I was often asked in individual cases for general decisions.

Q. You left the execution to the discretion of the individual departmental heads?

A. Yes. That is how I arranged it from the very beginning.

Q. Would it not have been necessary to establish close contact between you and department heads if you wanted to see to it that certain files should be destroyed in the main administration building?

A. Yes, but as I said, that was done rather hastily, and as I say, many errors were definitely made, but the majority of the things were destroyed by the department heads.

Q. Witness, in that case this operation—and pardon the expression—was rather like the work of amateurs?

A. Yes, I admit it. That depended on the department chief.

Q. Let me briefly point to a number of matters. Under A in your report, you say that the office of the Central Committee had destroyed records of the Commercial Committee; were these files preserved in other departments?

A. I believe that copies of virtually all of these minutes were preserved because the judgment of what was to be destroyed was

made by different persons. The fact is that in other departments copies of these minutes have been found.

Q. Do you mean to say, Witness, that quite apart from the extent of this operation even today there are files available about important business transactions?

A. In the majority of cases, yes, but on many things which were, for instance, stamped "top secret," files are no longer in existence today. But the files concerning the normal, the real Farben business, were preserved.

Q. If I understand you correctly, all the matters stamped "top secret" were not matters concerning real Farben business, were they?

A. Not sales business, at any rate.

Q. Were any files destroyed later, Herr von Heider?

A. After the occupation by the Americans, no. You know, we wanted to preserve a number of documents which we considered important for the war; they were evacuated to Sackenbach, near Lohr, on the Main River. Bussmann went with them. Herr Bussmann destroyed some files there, but only up to the time when the town was occupied, or rather, when he went on to another place and destroyed some more documents, up to the day when the Americans arrived in the second town.

Q. Witness, will you please answer the following question? Who was in the main administration bulding after the occupation? Was it left to Farben or was it taken over by the occupational powers for their own purposes?

A. No. I was in Bad Nauheim at the time, but according to what I heard, the Farben people were removed completely; the occupational authorities took charge and the so-called displaced persons, people who had been forcibly brought to Germany to work, were temporarily quartered there, and these people destroyed many documents. Besides, when the building was cleared, more documents were lost because we were hurried and were told to take only the most important things with us.

Q. Witness, is it correct that you and a number of your colleagues, among others also my client, tried to stop this continuing destruction?

A. Yes, that is correct. And Herr Koehler, in addition to your client, was also very active in this.

Q. Is it true that one of these three gentlemen approached the city commandant, and asked him to see to it that this material should not be destroyed?

A. I was told that later. I was not present myself. I told you I was temporarily not present.

Q. In this connection, let me put the following question: If,

on the part of the leading men of Farben, the destruction had been desired in order to get rid of files, then it certainly would hardly have been expedient to take the steps they did. Don't you agree with me that it would have been far more expedient, at that time of difficulties and confusion, to remove secretly all other files which had yet to be removed?

A. I can say that all of the leading men to whom I talked at the time issued instructions that no documents were to be destroyed, but that everything requested by the occupation authorities was to be given to them.

* * * * * * *

C. Affidavit, Dated 29 May 1947, of Dr. Struss, Chief of the Office of the Technical Committee of Farben's Managing Board

TRANSLATION OF DOCUMENT NI–8324
PROSECUTION EXHIBIT 662

AFFIDAVIT, DATED 29 MAY 1947, OF DR. ERNST STRUSS, CONCERNING THE DESTRUCTION OF DOCUMENTS

AFFIDAVIT

I, Dr. Ernst Struss, Director of IG, Chief of TEA Bureau of Farben, Secretary of the Technical Committee of the Executive Board of Farben, Manager of Division II (Sparte II) of the Vermittlungsstelle W, and, since 1943, Production Manager of the entire German dyestuffs industry within the framework of the Economic Group Chemical Industry, after having first been warned that I will be liable for punishment for making a false statement, state herewith under oath, of my own free will and without coercion, the following:

In September 1944, Dr. ter Meer, Dr. Loehr and I discussed in Frankfurt the question of destroying files in the event that the American troops would occupy the town. Dr. ter Meer was of the opinion that as few files as possible should be burned.

I discussed this matter some time later once more with Dr. Loehr, Koenig, Lameth, and Schlitt and we again agreed to burn as little as possible.

A few days before the occupation of Frankfurt by American troops, Mr. von Heider, who was Abwehrbeauftragter, instructed us to burn a greater number of files than we had previously envisaged. We actually burned, however, only the files previously earmarked by us for destruction.

The following is a list of the files which were burned:

Monthly reports to Reichsstelle Chemie [Supervisory Office Chemistry] and other agencies, re: reports on consumption and calculation of requirements.

Monthly and quarterly compilation of figures on production and consumption of plastics, including buna.

Correspondence with Reichsstelle Chemie re: phthalic anhydride, pentaerythritol, chlorobenzene, ortho, para dichlorobenzene and other chemicals.

Correspondence with Statistical Reichsamt, Berlin, monthly reports on production of glycerogen, chlorine, caustic soda, and other chemical products, light and heavy metals.

Correspondence with Reichsamt fuer Wirtschaftsausbau [Reich Office for Economic Development].

Correspondence with Vermittlungsstelle W, relating to production and deliveries of dinitrodiphenylamine, dinitroanisol, chlorobenzene, ortho and para dichlorobenzene, aniline, dinitrochlorobenzene, dinitrobenzene, and other chemical products.

Secret Command Matter "Alberich" on U-boat protection against ultra sound waves.

Secret Command Matter "Diglycol."

Secret file "Nebelsaeure," correspondence on capacity, production and consumption of ethylene and ethylene oxide, ethylene dichloride, dichloro ethyl ether.

Secret file "Hexogen," notes on conferences relating to processes for the manufacture of hexogen and intermediates for hexogen.

Secret files, copies of correspondence between Vermittlungsstelle W and IG plants on production and requirements of ethylene diamine, nitro guanidine, pentaerythritol, diphenylamine. Expert Committee on recovery of sulfuric acid in explosives plants, copies of minutes of the meetings, 1939–1944.

Report by Dr. Wolff, Ludwigshafen, on the Russian rubber factory at Jefremow.

Draft agreements and calculation of raw materials requirements for the first buna factories.

Copies of correspondence of Vermittlungsstelle W with IG plants relating to capacities and manufacture of nitrobenzene, binitro benzene, dinitro anisol, dinitro diphenylamine, binitrotoluene, aniline, dinitrophenol, stabilizer for gunpowder, and other products.

Copy of secret minutes on nitrogen conference, 1940.

Copies of minutes of secret meetings of the Committee for Lacquers, Plastics, and Synthetic Rubber.

Copies of minutes of secret meetings of Intermediates Committee.

Copies of minutes of secret committee meetings relating to electrolyses of alkali chlorides, sulfuric acid, metals, and chrome products.

Copy of agreement, dated 6 June 1941, between IG and Chemische Werke Huels G.m.b.H., Marl, re: production and sale of ethylene derivatives.

I have carefully read each of the three pages of this declaration and have signed them personally. I have made the necessary corrections in my own handwriting and initialed them, and I declare herewith under oath that I have given the pure truth to the best of my knowledge and conscience.

[Signed] DR. ERNST A. STRUSS

VII. CRIMES AGAINST PEACE—COUNTS ONE AND FIVE

A. INTRODUCTION

Count one of the indictment, which contained 85 paragraphs and nine major subdivisions of specifications, charged that each of the defendants "participated in the planning, preparation, initiation, and waging of wars of aggression and invasions of other countries" (*pars. 1 through 85; see sec. I, above*). All of the defendants were likewise charged in count five with participation "in the formulation and execution of a common plan or conspiracy to commit, or which involved the commission of, crimes against peace" (*pars. 146 and 147*). The prosecution urged that the same evidence was relevant under both counts one and five and differentiated between the two counts only insofar as they charged different degrees or types of participation in crimes against peace. Count one, in paragraph 84, declared that the acts alleged in count two (plunder and spoliation) and in count three (slavery and mass murder) "are hereby incorporated in this count" on the theory that spoliation and slave labor were engaged in as an integral part of the preparation for and waging of aggressive wars. Most of the evidence, however, on spoliation and slave labor was presented separately and at a later stage. The same principle of presentation has been adopted here insofar as possible. (*See secs. VIII and IX, vol. VIII, this series.*)

The Farben case was the first Nuernberg trial following the IMT case which contained charges of crimes against peace. The argument and evidence on these charges was most extensive and only a small part of it is reproduced herein. The section begins with the defense motion for a finding of not guilty on the charges of crimes against peace, filed after the prosecution had rested its case, and with the prosecution answer to this motion (*sec. B*). This argumentation sets forth the theory of the opposing parties on the aggressive war charges as concisely as any of the argumentation in the case, and its early presentation here should make more understandable the numerous selections from the evidence in the ensuing subsections.

The selections from the evidence on aggressive war have been

grouped into 13 subsections (*C through O, incl.*). In many cases these materials overlap and almost all of them are closely related under one or more aspects of the trial. Accordingly, the division of materials has not been an easy task. For publication purposes it was decided to utilize a larger number of major divisions than the nine major divisions of count one of the indictment (*see p. 10 above*). This practice has made it easier to relate selections from the evidence of the opposing parties, and it has avoided some confusion which might attend the incorporation of even a larger number of items from the record under fewer topical classifications. Separate introductions to the respective sections mention the principal charges of the indictment involved and frequently make cross-references to related subsections or to particular materials in other subsections which have a close connection.

Within the subsections, prosecution and defense materials are sometimes interspersed where this has appeared more economical or more helpful in clarifying the matters covered. However, evidence submitted by the prosecution is usually followed by evidence submitted by the defense. In choosing defense evidence considerable emphasis has been given to testimony by the defendants themselves. Each of the defendants elected to testify on his own behalf, excepting the defendants Schmitz, von Schnitzler, and Lautenschlaeger. The judgment of the Tribunal, under which all of the defendants were found not guilty under counts one and five, discusses in some detail the case as to defendants Krauch, Schmitz, von Schnitzler, and ter Meer, noting that the other defendants "occupied positions of lesser importance than those of the defendants we have mentioned." (*See sec. XIII, vol. VIII, this series.*) Given the page limitations upon this series of volumes and limitations of both time and staff, it has been quite impossible to incorporate evidence on many of the detailed specifications of the charges of counts one and five. In some cases particular specifications are only touched upon in materials which have been included because of their bearing on other topics in the first instance. A constant effort has been made to maintain a close relation between the documentary and oral evidence. However, in making a choice between testimonies on the same general subject it has sometimes been necessary to select the testimony least involved with documents which could not be included because of space limitations. On the other hand important testimony with occasional references to omitted documents has often been included where the relevant points in the documents are summarized in the testimony or where the general purport of the testimony appears clear notwithstanding the absence of the

documents. Footnotes have been employed freely to relate various items of evidence reproduced at different points and to indicate omissions.

B. Defense Motion for a Finding of not Guilty on the Charges of Aggressive War, and Answer of the Prosecution Thereto

1. Introduction

On 17 December 1947, the Tribunal held a special session to take up any outstanding matters prior to hearing the opening statements of the defense which were scheduled to begin the next day. Near the close of the special session, Dr. von Metzler, counsel for the defendant Haefliger, announced that he had filed a written motion in the usual manner and stated that "my colleagues feel that this is a motion of such a fundamental importance that it should be read with Your Honors' permission into the record" (*tr. p. 4677*). After argument the Tribunal denied the request that the motion be read (*tr. pp. 4677–4683*).

The motion, reproduced in full in 2 below, was the most important single motion filed in the case. Defense counsel summarized it as "a motion for a finding of not guilty as to the charges and all the particulars under counts one and five" (crimes against peace and conspiracy to commit crimes against peace) and also as to the charges and particulars under count two so far as it covers the alleged spoliation in Austria and Czechoslovakia" (*tr. p. 4677*). The motion attacked the basic theory of the prosecution with respect to aggressive war, particularly as developed in the "Preliminary Memorandum Brief of the Prosecution," filed on 12 December 1947 shortly after the prosecution had rested its case in chief. The motion is replete with citations from the judgment of the International Military Tribunal, particularly with respect to the state of mind required to be proven before a finding of guilt for crimes against the peace can be made. The motion declared that "The entire evidence introduced by the prosecution on the part which I.G. Farben played in the military and economic war preparation of Germany can be left completely aside and is irrelevant so long as the prosecution had not proved the special knowledge required by the IMT of Hitler's secret aggressive plan and the direct participation in these plannings by the defendants."

The prosecution's answer of 5 January 1948, set forth in full in 3 below, likewise relied heavily upon quotations from the

Judgment of the IMT. The answer declared that "If the construction urged by the defense is correct, namely that only the small select group who had special knowledge of the individual planned aggressions against identified countries are criminally responsible, then the attempt of the international community to prevent planning and preparation and the initiation of wars of aggression and invasions has failed." A reply of the defense to the prosecution's answer has not been reproduced herein.

The Tribunal directed the defense to continue with the defense case on all charges while the Tribunal took the defense motion under advisement. While the Tribunal still had the defense motion under advisement, the defense in the Krupp case (*Case 10*), on 12 March 1948, filed a similar motion to dismiss the aggressive war charges. The Tribunal in the Krupp case granted this motion on 5 April 1948, thus dismissing the aggressive war charges in that case. (The defense motion, parts of the prosecution's answer thereto, the Tribunal's order and several opinions by the judges in the Krupp case on the dismissal of these charges are reproduced in vol. IX, this series, sec. VI). The defense in the Farben case thereupon urged an early decision on its motion. The Tribunal on 22 April 1948 did rule that no crime of spoliation existed as a matter of law with respect to Austria and Czechoslovakia. (This order is reproduced in the later section on "Plunder and Spoliation," (*sec. VIII B, vol. VIII, this series.*) But early in May the Tribunal announced that, with respect to aggressive war, it could not "assume the burden of searching the evidence to pass upon those motions before the final determination of the case." In its decision and judgment on 28 and 29 July 1948, the Tribunal did find that all of the defendants were not guilty under counts one and five (*sec. XIII, vol. VIII, this series.*)

2. DEFENSE MOTION FOR A FINDING OF NOT GUILTY, 17 DECEMBER 1947[1]

May it please the Tribunal:

The undersigned defense counsel, through me, respectfully ask for permission to file a motion which has been in our minds for several weeks.[2] The defense think that now a suitable moment has arrived to consider the relevancy of the evidence submitted by the prosecution.

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[1] Official Record, Case 6, vol. 52, pp. 3103–3127.

[2] The somewhat unusual introduction to this motion is accounted for by the fact that Dr. von Metzler initially planned to read the motion into the record in addition to filing it in writing in the usual manner with the Secretary General. Counsel for all the defendants except the defendant Gattineau signed this motion.

The general position of the defense is that the evidence introduced by the prosecution is, from a legal point of view, insufficient to bear out the alleged responsibility of the defendants for the entire acts covered by the indictment. Therefore the defense have considered the possibility to file this motion with regard to all counts of the indictment. The defense, however, feel that such a motion embracing all counts of the indictment possibly would involve for the Tribunal a lengthy examination of the vast amount of evidence introduced by the prosecution, and therefore a proper consideration by the Tribunal of a motion pertaining to all counts of the indictment would require a major delay in the progress of the trial.

The defense therefore have decided to limit their motion to such points only which, as we respectfully submit, in our opinion, do not involve a lengthy examination of the evidence produced by the prosecution, as the irrelevancy of this evidence is derived from legal grounds which clearly appear from the IMT judgment.

For these reasons the defense will confine their motion to counts one and five of the indictment (*pars. 1–85 and pars. 146 and 147*), and to the alleged cases of spoliation in Austria and Sudetenland-Czechoslovakia (*pars. 90–96 of the indictment*).

After careful consideration, the defense have come to the conclusion that the aforementioned evidence is irrelevant. Therefore we herewith file the following motion:

The undersigned defense counsel respectfully move at this time that the Tribunal make a finding of not guilty as to the charges and all the particulars under counts one and five and also as to the charges and particulars under count two, so far as concerns the alleged spoliation in Austria and Czechoslovakia (*Pars. 90–96 of the indictment*). The ground for this motion is that there is not sufficient evidence to support a finding of guilty as to these particulars and charges.

This motion is in compliance with the established rules and practice of the United States and British courts permitting the defense to make such motion before the opening of their case. Especially has it been confirmed that such motions are permitted in war crimes cases heard by military tribunals.

Reference is made to the Muehldorf case heard by the Military Tribunal at Dachau, Germany, on 13 May 1947, Case No. 000/50/136 Dachau, Germany.

Reference is furthermore made to the Manual for Courts Martial, U.S. Army [1928] (XIII, par. 71 *d*, page 56).

As to Ordinance No. 7, there is no express provision forbidding such a motion. On the contrary, as a motion of this kind aims at a speeding up of the trial, it serves the general idea

governing Ordinance No. 7 as expressed in Article VI (*a*), reading as follows:

"The tribunal shall—

(*a*) confine the trial strictly to an expeditious hearing of the issues raised by the charges."

An expeditious hearing, in our humble opinion, implies the necessity of considering whether the evidence before the Court is legally sufficient to support a finding of guilty when a motion is filed by the defense before the opening of its case.

Therefore the defense would say that its motion is well within the scope of the provisions of Ordinance No. 7.

Should Your Honors be inclined to sustain this motion, the defense fully realize that in such event, it will not have an opportunity to present its own most valuable evidence relating to these charges by which the whole case of the prosecution would be put in an entirely different light. But it is the intention of the defense to accept this disadvantage, as the defense, bearing in mind its position as officers of the Court, feel that it is obliged to do whatever is possible to expedite the trial, and therefore consider this obligation more important than the chance to refute the prosecution's case by producing the defense evidence.

There should be no doubt that the trial would be shortened to a considerable extent, should this motion be sustained by the Court, as the defense then need not cope with the vast amount of evidence produced by the prosecution in connection with the charges under counts one and five. The defense therefore feel that by filing this motion it is contributing in a constructive manner to the speeding up of this trial, a subject which has been raised repeatedly in the past weeks.

Now I beg to submit, with Your Honors' permission, the reasons in support of this motion as briefly as I can:

I. The defendants are indicted as having taken part in planning, preparation, initiation, and waging of aggressive wars and invasions (count one); furthermore as having participated as leaders, organizers, instigators, and accomplices in the formulation or execution of a common plan or conspiracy to commit crimes against peace (count five).

The prosecution, in establishing the responsibility of the defendants, refers to the provisions of Control Council Law No. 10 dated 20 December 1945.

Dealing, in the first place, with the question as to which law should be applied when considering the relevancy of the evidence produced with regard to counts one and five, the defense maintains that this question should be judged under the generally recognized and established rules of international law as laid down

in Article 6 (*a*) of the Charter of the IMT dated 8 August 1945. In view of the fact that the planning and waging of wars of aggression and participation in a conspirarcy for such purpose are crimes against the rules of international law, an examination of these charges must be governed exclusively by these rules. Therefore the IMT in its judgment states the following with respect to the legal nature of the aforementioned Charter of 8 August 1945:

> "The Charter is not an arbitrary exercise of power on the part of the victorious nations, but in the view of the Tribunal, as will be shown, it is the expression of international law existing at the time of its creation; and to that extent is itself a contribution to international law." *

In this connection the interpretation of this Charter by the IMT in its judgment is of vital importance. It must be assumed that to that extent, the judgment itself is a contribution to international law, and must, therefore, be taken into account when considering the above-mentioned problem.

As to Control Council Law No. 10, on which the indictment is based, it must be understood from its introduction that it constitutes only a law giving effect to the aforementioned Charter. Consequently, the defense feels that the interpretation of the provisions of Control Council Law No. 10, regardless of their wording, must keep within the limits of the interpretation of the said Charter adopted by the IMT judgment. Control Council Law No. 10 was promulgated on 20 December 1945, whereas the IMT judgment was pronounced on 30 September and 1 October 1946. Therefore the IMT judgment governs the interpretation of Control Council Law No. 10. In this connection, it is also significant that the IMT bases its judgment exclusively on the provisions of the Charter, not referring to the provisions of Control Council Law No. 10 issued pursuant to this Charter.

Now the prosecution may maintain that Control Council Law No. 10 has been issued by the Four Allied Nations having assumed governmental powers within the area of the former German Reich, and that, therefore, the provisions of said law alone are applicable in trials of German war criminals.

To this argument, the defense would reply that, bearing in mind the fact stressed by the IMT that the Charter is the expression of international law existing at the time of its creation, the provisions of Control Council Law No. 10, issued pursuant to this Charter, in defining the prerequisites of the various offenses, cannot introduce any elements so far unknown to international law and therefore not dealt with in the Charter. Any

* See *Trial of the Major War Criminals*, vol. I, p. 218.

opinion contrary to this would be incompatible with the fundamental principle of law—international and domestic—that there can be no punishment of crimes without preexisting law. The defense therefore maintains that if there is a discrepancy between the provisions of Control Council Law No. 10 on the one hand, and the Charter and the interpretation thereof by the IMT on the other hand, the latter should be given priority.

The defense feels that this legal argument should be put at the very outset of the reasons for this motion, as the defense has the impression that the prosecution tries to justify its charges by the wording of Control Council Law No. 10 without taking into account the provisions of the Charter or the interpretation of the said Charter by the IMT. In the first place, the defense would refer to the provisions of Article II, paragraph 2*f*, of Control Council Law No. 10, dealing with the responsibility of individuals who have held a prominent position in financial, industrial or economic life, a provision which the Charter of the IMT does *not* contain.

Hereby it has already raised the main problem, namely, whether in order to establish the criminal responsibility of the defendants, it is sufficient for the prosecution, apart from introducing evidence on the actual facts of planning, preparing, and waging of aggressive war, to prove that the defendants have been holding prominent positions in the economic life of Germany. In other words: The question comes up what legal consequences should be attached to the aforementioned provision of Control Council Law No. 10 in the absence of a similar provision in the Charter.

The position of the prosecution is not quite clear. In his opening statement, General Taylor stated the following:

> "This provision, we believe, is not intended to attach criminal guilt automatically to all holders of high positions, but means rather that legitimate and reasonable inferences are to be drawn from the fact that a defendant held such a position, and places upon him the burden of countering the inferences which might otherwise be drawn."

The prosecution in its Preliminary Memorandum Brief,* Part I, page 2, however, maintains the following:

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* On 12 December 1947, the prosecution filed a "Preliminary Memorandum Brief of the Prosecution" of more than 100 pages in length. The introduction to this brief states: "This preliminary brief is submitted at the request of the Tribunal, as an intermediate brief at the close of the prosecution's case in chief. The purpose is to indicate, in a general way, the theory of the prosecution, with appropriate references to the evidence, which, in its opinion, supports that theory. It is not intended as a final brief which the prosecution will submit at the conclusion of the case, which brief necessarily will contain a more detailed analysis of both the law and the facts." This brief is not reproduced in this publication, nor are the final briefs of both the prosecution and the defense which altogether ran to several thousand pages.

"This provision, we believe, is not intended to attach criminal guilt automatically to all holders of high positions. It does require, however, that the fact that a person held such a position be taken into consideration together with all other evidence in determining the extent of his knowledge and participation."

The defense feels therefore that now the prosecution apparently no longer contends that by virtue of the above-said provision of Control Council Law No. 10 the burden of proof for their innocence is placed on the defendants. The prosecution however clearly maintains on page 7 of the aforesaid Memorandum Brief:

"It is quite clear that Control Council Law No. 10 recognizes no distinction between 'private persons' and 'government officials.' Paragraph 2 of Article II of Law No. 10, in clause (*f*), after making reference to persons who held 'high political, civil or military' positions in Germany, continues by making reference to persons who held high positions 'in the financial, industrial or economic life' of Germany. Persons so described unquestionably include individuals such as these defendants."

Contrary to this, the position of the defense is that the said provision of Control Council Law No. 10 should be given no legal weight at all, either in the sense that it limits to any extent the burden of proof being imposed on the prosecution or that it warrants the conclusion that no distinction between "private persons" and "government officials" can be recognized when assessing the responsibility for crimes against peace. The defense derives its opinion from the absence of a similar provision in the charter and from the grounds of the IMT judgment which clearly indicate that the IMT limits the responsibility for crimes against peace to a small circle of the most intimate governmental and military advisers of Hitler. Therefore the position of the defense is that, apart from the actual facts of participation in the preparation of an aggressive war, the prosecution has to establish beyond any reasonable doubt, in the case of each defendant separately, a certain state of mind consisting of a definite knowledge of specific aggressive plans of Hitler.

II. Should the aforementioned provisions of Article II, paragraph 2 (*f*) of Control Council Law No. 10 be applied in their strict wording, this would in the final effect result in convicting all persons who had held a prominent position in the financial, industrial, or economic life of Germany. As on the other hand the aforementioned provision refers also to such persons as held a prominent political, administrative, or military position in Germany, an application of the said provision in such a strict sense would have had the result of all the defendants in the IMT trial

having to be convicted on the charge of preparing and waging aggressive wars. The IMT, however, as is shown by its judgment, acquitted quite a number of defendants of those counts of the indictment and thereby made it absolutely clear that a literal application of the provisions of Article II, paragraph 2(*f*), of Control Council Law No. 10, is not in compliance with the principles of international law, and that therefore such a strict application of these provisions must be denied. An opposite view would result in the interpretation of the responsibility of ordinary German citizens for crimes against peace in a sense more strict and rigid than the standard adopted by the IMT when assessing the responsibility of the foremost Nazi leaders, a result which would be incompatible with the principles of justice and fairness.

To bear out the position of the defense, reference is made to the grounds of the IMT judgment referring to the charges of "planning, preparing, and waging wars of aggression, and participation in a conspiracy with such aims."

In its judgment, the IMT determined, in a manner which is binding upon every tribunal trying war crimes cases at any later date, that the following belligerent actions of the German Government constituted aggressive wars, covered by the rules of warfare: Poland, Denmark, Norway, Belgium, Holland, Luxembourg, Yugoslavia, Greece, Russia, United States of America (not including, therefore, the occupation of Austria, which, however, was considered by the IMT an aggressive invasion), Sudeten-Czechoslovakia, France, and England. The occupation of Bohemia and Moravia has been considered by the IMT a military occupation governed by the rules of warfare.

The following members of the former Reich Cabinet were on trial before the IMT: Goering, von Ribbentrop, Hess, Rosenberg, Frank, Bormann, Frick, Speer, Schacht, von Papen, von Neurath; furthermore the following persons who held high governmental positions and were in close contact with the Reich Cabinet: Kaltenbrunner, Sauckel, von Schirach, Fritzsche, Seyss-Inquart, Streicher; finally the following persons having been in charge of the supreme military command, and therefore belonging to the most intimate advisers of Hitler: Keitel, Jodl, Raeder, Doenitz. In addition, the Reich Cabinet as such was indicted as a criminal organization involved in a conspiracy to wage aggressive wars.

In the first place, it should be pointed out that the Reich Cabinet, although it was at that time the incarnation and executor of the political will of the German people, and therefore, from the point of view of international law, ought to have been held responsible for the ultimate political decisions, was acquitted by the IMT of the charge of having been a criminal organization, and conse-

quently, also, of the charge of conspiracy for the preparation and waging of wars of aggression. I quote from the grounds of the IMT judgment the following passage, which, in the opinion of the defense, is of vital importance, as it is, in our view, decisive when considering the responsibility of these defendants under the charges here in question.

> "A number of the cabinet members were undoubtedly involved in the conspiracy to make aggressive war; but they were involved *as individuals,* and there is no evidence that the Cabinet as a group or organization took any part in these crimes. It will be remembered that when Hitler disclosed his aims of criminal aggression at the Hossbach Conference, the disclosure was not made before the Cabinet, and that the Cabinet was not consulted with regard to it, but, on the contrary, that it was made secretly to a small group upon whom Hitler would necessarily rely in carrying on the war. Likewise, no Cabinet order authorized the invasion of Poland. On the contrary, the defendant Schacht testifies that he sought to stop the invasion by a plea to the Commander in Chief of the Army that Hitler's order was in violation of the Constitution because not authorized by the Cabinet."*

This shows clearly that the IMT did not even convict all members of the former Reich Cabinet, in their capacity as representatives of the supreme political responsibility, of the charges of participation in the preparation and waging of wars of aggression and in a conspiracy with such an aim. The IMT convicted only a limited circle of members of the Reich Cabinet and other high governmental and military functionaries who were in close contact with this Cabinet. This follows clearly from an enumeration of those defendants in the IMT trial who were acquitted of the charges of having committed crimes against peace. Of the members of the former Reich Cabinet, the following were acquitted of the said charge:

Schacht, Reich Minister of Economics.

von Papen, former Vice-Chancellor and later Reich Plenipotentiary for Austria.

Speer, Reich Minister for Armaments and War Production.

Frank, former Reich Minister without Portfolio and Governor General of the occupied Polish territory.

Bormann, former chief of the Party Chancellery and Deputy of the Fuehrer.

The following governmental functionaries were likewise acquitted of the said charges:

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* *See Trial of the Major War Criminals,* vol. I, pp. 275 and 276.

Sauckel, Plenipotentiary General for the Allocation of Labor under the Four Year Plan, and co-organizer with the defendant Ley of the Central Inspectorate for the Care of Foreign Workers.

Kaltenbrunner, former Chief of the Security Police and Head of the Reich Security Main Office.

Streicher, former Gauleiter of Franconia.

von Schirach, former Reich Youth Leader, Reichsleiter, and Reich Defense Commissioner of Vienna.

Fritzsche, Head of the Press and Radio Division of the Propaganda Ministry.

The following members of the former German Reich Cabinet were acquitted of the charge of participating in a conspiracy to prepare and wage aggressive wars, whereas they were found guilty on the charge of participating in the planning, preparing, and waging of specific aggressive wars:

Frick, former Reich Minister of the Interior.

Funk, former Reich Minister of Economics.

The following governmental or military functionaries were acquitted to the same extent:

Seyss-Inquart, former Austrian Minister of Security and the Interior

Doenitz, former Commander in Chief of the German Navy and Head of State succeeding Hitler

Hereby the IMT made it quite clear that the criminal responsibility for the preparing and waging of the aforementioned aggressive wars must be restricted to a specific limited circle of men. In designating these men—and this is of decisive importance for the question to be discussed in this trial—the IMT did not allow itself to be influenced by the positions held by these men, nor by the importance of their tasks within the scope of German rearmament and consequently the preparation and waging of aggressive wars. Otherwise all the above-mentioned acquitted defendants would have been convicted, it being unquestionable that seen from an objective point of view, men, for example, like Schacht, Speer, von Papen, Sauckel, and others, contributed in a most important manner to the strengthening of the German war potential before or after the outbreak of the aggressive wars.

Contrary to this, the IMT, in assessing criminal responsibility, based its decision exclusively on the individual state of mind of the defendants, to wit: the knowledge of the defendants of specific aggressive plans of Hitler which he revealed at certain secret meetings to his closest advisers, these meetings of Hitler having taken place on 5 November 1937, 23 May 1939, 22 August

1939, and 23 November 1939. Reference is made to the IMT judgment:

"Evidence from captured documents has revealed that Hitler held four secret meetings to which the Tribunal proposes to make special reference because of the light they shed upon the question of the common plan and aggressive war.

"These meetings took place on 5 November 1937, 23 May 1939, 22 August 1939, and 23 November 1939.

"At these meetings important declarations were made by Hitler as to his purposes, which are quite unmistakable in their terms."[1]

The reasons on which the IMT based its decision in this report are shown clearly by a brief survey of several arguments adduced in the IMT judgment in support of the acquittal of certain defendants of the charges here in question. I quote from the grounds of the judgment concerning the defendant Schacht:

"It is clear that Schacht was a central figure in Germany's rearmament program, and the steps which he took, particularly in the early days of the Nazi regime, were responsible for Nazi Germany's rapid rise as a military power. *But rearmament of itself is not criminal under the Charter.* To be a crime against peace under Article 6 of the Charter, it must be shown that Schacht carried out this rearmament as part of the Nazi plans to wage aggressive wars . . . He was clearly not one of the inner circle around Hitler which was most closely involved with this common plan."[2]

I quote from the grounds of the judgment concerning the defendant von Papen:

"The evidence leaves no doubt that von Papen's primary purpose as Minister to Austria was to undermine the Schuschnigg regime and strengthen the Austrian Nazis for the purpose of bringing about the Anschluss. To carry through this plan he engaged in both intrigue and bullying. *But the Charter does not make criminal such offenses against political morality, however bad these may be.* [Emphasis supplied]. Under the Charter, von Papen can be held guilty only if he was a party to the planning of aggressive war. There is no evidence that he was a party to the plans under which the occupation of Austria was a step in the direction of further aggressive action."[3]

[1] Ibid., p. 188.
[2] Ibid., pp. 308–10.
[3] Ibid., p. 327.

I quote from the grounds of the judgment concerning the defendant Speer.

"The Tribunal is of the opinion that Speer's activities do not amount to initiating, planning, or preparing wars of aggression, or of conspiring to that end. He became the head of the armament industry well after all of the wars had been commenced and were under way. *His activities in charge of German armament production were in aid of the war effort in the same way that other productive enterprises aid in the waging of war; but the Tribunal is not prepared to find that such activities involve engaging in the common plan to wage aggressive war as charged under count one or waging aggressive war as charged under count two.*"[1] [Emphasis supplied.]

I quote from the grounds of the judgment concerning the defendant Fritzsche:

"Never did he achieve sufficient stature to attend the planning conferences which led to aggressive war; indeed, according to his own uncontradicted testimony he never had even a conversation with Hitler. Nor is there any showing that he was informed of the decisions taken at these conferences. His activities cannot be said to be those which fall within the definition of the common plan to wage aggressive war as already set forth in this judgment."[2]

I quote from the grounds of the judgment concerning the defendant Bormann:

"The evidence does not show that Bormann knew of Hitler's plans to prepare, initiate, or wage aggressive wars. He attended none of the important conferences when Hitler revealed piece by piece these plans for aggression."[3]

I quote from the grounds of the judgment concerning the defendant Streicher:

"Streicher was a staunch Nazi and supporter of Hitler's main policies. There is no evidence to show that he was ever within Hitler's inner circle of advisers; nor during his career was he closely connected with the formulation of the policies which led to war. He was never present, for example, at any of the important conferences when Hitler explained his decisions to his leaders."[4]

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[1] Ibid., p. 330.
[2] Ibid., p. 337.
[3] Ibid., p. 339.
[4] Ibid., p. 302.

To complete the picture, the following passages from the IMT judgment may be quoted additionally:

"The Tribunal must examine whether a *concrete plan* to wage war existed, and determine the participants in that *concrete* plan * * * [Emphasis supplied.] But the evidence establishes with certainty the existence of many separate plans rather than a conspiracy embracing them all."[1]

Further:

"This discretion is a judicial one and does not permit arbitrary action, but should be exercised in accordance with well-settled legal principles, one of the most important of which is that criminal *guilt is personal,* and that mass punishments should be avoided."[2]

Summarizing the above-mentioned quotations from the IMT judgment, the defense holds that the following conclusions may be drawn as to the responsibility for the preparation and waging of aggressive wars:

In the opinion of the IMT, which is binding on other Tribunals, there existed no single conspiracy of the leading personalities of the former German Reich with the general aim to wage aggressive wars, or as the prosecution styles it on pages 9 and 10 of their Preliminary Memorandum Brief, Part I: "for the purpose of carrying out a national policy of aggrandizement." On the contrary, the IMT assumes the existence of separate plans.

In the opinion of the IMT, a conviction on a charge of a crime against peace can be based exclusively on a special knowledge of specific aggressive plans of Hitler and on a direct participation in the elaboration of such plans. The IMT, therefore, did not base its decision on the so-called common knowledge of the German people as to the possibility of Hitler's waging aggressive wars, but on the special knowledge of a very limited circle of his most intimate advisers who participated in certain secret meetings.

In flat contradiction to these clearly and precisely established principles which alone can be considered a reliable standard for the determination of personal criminal guilt, the prosecution, on pages 9 and 10 of its Preliminary Memorandum Brief, Part I, introduce a definition of a crime against peace which is so vague that its application would most certainly result in a mass punishment of the German people, contrary to the above quoted passages of the IMT judgment which requires that criminal guilt must be personal and that mass punishment be avoided. I quote from the brief of the prosecution, page 9:

[1] Ibid., p. 225.
[2] Ibid., p. 256.

"Scope of Crimes Aganist Peace. Without attempting an all-inclusive 'definition' of what is covered under crimes against Peace in Control Council Law No. 10, it is submitted that under the principles of international law and the provisions of Control Council Law No. 10, crimes against peace comprehend at least the following:

"Any person without regard to nationality, or the capacity in which he acted, commits a crime against peace if he participates in furthering the military power of a country, knowing that such military power will be used, or is being used, for the purpose of carrying out a national policy of aggrandizement to take from the peoples of other countries their land, their property, or their personal freedoms.

"Participation by the Defendants in Crimes against Peace. It is not necessary to define precisely what constitutes and what does not constitute *participation* in furthering a country's military power for the purposes indicated. It is sufficient here to state that anyone who bears a substantial responsibility for conducting activities which are vital to furthering the military power of a country, 'participates' within the meaning of this definition." I quote from the brief of the prosecution, page 10:

"State of Mind. This is the *knowledge* that such military power will be used for the purpose of carrying out a national policy of aggrandizement to take from the peoples of other countries their land, their property, or their personal freedoms. It is sufficient if there exists the belief that although actual force will be resorted to if necessary, such purpose will be accomplished by using the military power merely as a threat."

The position of the defense is that this definition of the prosecution is in contradiction to the opinion of the IMT and therefore not in accordance with the principles of international law. It is sufficient in this respect to refer once more to the acquittal of the charge of a crime against peace of such men belonging to the group of leading personalities of German public life as Schacht, Sauckel, Speer, von Papen, Fritzsche, Frank, Borman, Kaltenbrunner, Streicher, von Schirach.

This fact alone sufficiently proves that the definition of a crime against peace introduced by the prosecution is entirely wrong and contrary to the principles of international law as interpreted by the IMT. Even the defendant Raeder, whose conviction on the charge of crimes against peace by the IMT is adduced by the prosecution in support of their position (vide footnote on page 10 of the prosecution's brief), cannot be regarded as an example

proving the correctness of this theory. For if the prosecution had read the IMT judgment more carefully it would have undoubtedly found, the following significant passage concerning this defendant:

"He was one of the five leaders present at the Hossbach Conference of 5 November 1937." *

Therefore the defendant Raeder participated at least in one of the secret conferences which according to the IMT were decisive for the knowledge of a few close advisers of Hitler's aggressive plans.

The limitation by the IMT of the persons responsible for crimes against peace is well justified by the fact that otherwise the scope of responsible persons would practically be unlimited, which would result in mass punishment. For if the prosecution, for example, submits in this trial that the war could not have been waged without the support of IG, it can just as well be said that the war could not have been waged without the support of all other German firms connected with rearmament, nor without the support of the mining companies, the farmers, the General Staff (which was acquitted in the IMT trial of the charge of being a criminal organization, which implies the charge of conspiracy for the preparation and waging of aggressive wars). Neither could the war have been waged without the support of the economic agencies of the Reich supplying the economic prerequisite for war planning; and, last but not least, not without the support of the soldiers and workers who, through their efforts, helped to prepare and to wage the war. The essence of a legal rule is its uniform application to all people whom it concerns if the ends of justice are to be met. If, therefore, only the contribution as such to rearmament before and after the outbreak of the aggressive wars is taken into consideration, then this would logically imply the responsibility of all the above-mentioned groups of the German population. Therefore a reasonable limitation of responsibility is possible only on the basis of the state of mind, to wit: of the special knowledge, which the IMT, without having recourse to the principle of common knowledge, imputes to a small circle of the highest governmental and military functionaries. This in effect confirms the statement of the French Chief Prosecutor in the IMT trial, François de Menthon, which he made in his address during the morning session of 17 January 1946:

"One cannot, of course, deduce from the preceding the indi-

* Ibid., p. 315.

vidual responsibility of all the perpetrators of acts of violence. It is obvious that in an organized modern state responsibility is limited to those who act directly for the state, they alone being in a position to estimate the lawfulness of the orders given. They alone can be prosecuted, and they must be prosecuted."[1]

Reference is also made to the highly significant decision of the Supreme Court of the United States in the Macintosh case rendered on 25 May 1931 (*vide Lauterpacht Annual Digest of Public International Law Cases*). In the said case, a Canadian professor of theology, in applying for United States citizenship, stated that he would sign the declaration of allegiance on the sole condition that he might reserve the right to decide whether a war started by the United States was just or unjust. He said that he would not assume the liability to participate in a war which in his opinion was unjust. In the first instance his action was dismissed. The Court of Appeal decided in his favor on the ground that international law differentiates between just and unjust war, as appears from the Kellogg Pact. The Supreme Court passed judgment against him on the ground that, apart from conscientious objectors, no United States citizen is entitled to refuse his moral or armed support if, in his opinion, a certain war might be unjust. He therefore could not reserve the right to make a specifically political decision as to the character of such a war.

The defense feels that this important judgment of the Supreme Court, passed several years after the conclusion of the Kellogg Pact, strongly confirms the opinion that on a charge of having committed a crime of such a purely political significance as a crime against peace, only the highest governmental or military functionaries can be convicted or such persons as were directly connected with the intimate conferences and plannings concerning such actions of aggressive warfare.

When the prosecution refers, on page 7 of its Preliminary Memorandum Brief, Part I, to the passage in the grounds of the IMT judgment speaking of the businessmen being punishable if they, with knowledge of Hitler's aims, gave him their cooperation, this does not prove anything to the contrary. Because "with knowledge of Hitler's aims"[2] can have here no other meaning than in the case of the high governmental and military functionaries who appeared before the IMT, to wit: being directly and personally connected with certain specific secret plannings of Hitler.

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[1] Ibid., vol. V, p. 388.
[2] Ibid., vol. I, p. 226.

III. In applying the foregoing principles to the counts of the indictment here in question, the following conclusions may be drawn:

As already mentioned, the provision of Article II, paragraph 2(*f*) of Control Council Law No. 10 regarding the responsibility of industrial leaders cannot be applied without discretion in such a manner as to make responsible for the preparation and waging of aggressive wars any industrial leader on account of his position only. Therefore the guilt of the industrial leaders must be assessed by the same standard as applied by the IMT in the case of the members of the former German Reich Cabinet and of other governmental or military functionaries.

Therefore there is not the slightest reason to treat the defendants in a manner more strict and rigid than that adopted in the case of the Nazi top leaders before the IMT.

This, however, in our opinion, would result in a finding of not guilty of the defendants under counts one and five of the indictment.

The prosecution has introduced no evidence whatsoever for a participation of the defendants in the secret plannings of Hitler nor in any specific common planning or conspiracy to wage an aggressive war. In the opinion of the defense, all the defendants knew less—but in any case none of the defendants knew more—about the general German policy and specific plans of Hitler than men like Schacht, von Papen, Speer, Fritzsche, Frank, Bormann, Kaltenbrunner, Streicher, von Schirach, who were acquitted by the IMT of the charge of having committed crimes against peace. All of these men were undoubtedly far more closely connected with Hitler and his policy than any of the defendants. Undoubtedly all these men had knowledge of the facts, or at least of most of the facts, mentioned on pages 76–103 of the Preliminary Memorandum Brief, Part I, which the prosecution adduces in support of their allegation that the defendants had a guilty mind as to the crimes charged under counts one and five of the indictment. All these men served the moral, economic, or military strengthening of the German war potential *before* or *after* the outbreak of the war. They therefore played an important part in furthering the military power of Germany.

If, therefore, these men were nevertheless acquitted by the IMT of the charge of having committed crimes against peace, then, in our humble opinion, there can be no doubt whatsoever that these defendants cannot be treated differently, because they too had no intimate knowledge of Hitler's secret aggressive plans and were personally not connected with these plannings. Therefore the entire evidence introduced by the prosecution under

counts one and five can be left aside, as no piece of evidence relates to the knowledge of the defendants of these secret plannings and their participation therein.

It can well be said that the tragic irony of this trial is the former gigantic scope of business of IG, and the defendants have almost daily experienced in the course of the prosecution's case that this fact was advanced again and again to bear out the charges under counts one and five of the indictment. Therefore the greatest amount of evidence relates to the structure, the scope of business, and the vast production of IG.

However, let us bear in mind what the IMT said when acquitting Schacht of the charge of having committed crimes against peace: "But rearmament of itself is not criminal under the Charter."

Summarizing, therefore, it can be said that the entire evidence introduced by the prosecution on the part which IG played in the military and economic war preparation of Germany can be left completely aside and is irrelevant as long as the prosecution has not proved the special knowledge required by the IMT of Hitler's secret aggressive plans and the direct participation in these plannings by the defendants.

The same applies to the evidence introduced by the prosecution on the alleged weakening of the war potential of other countries by IG, the alleged propaganda and espionage activities of IG abroad, the alleged camouflage by IG of their assets abroad, the alleged spoliation of public and private property in the occupied territories, and the alleged participation in the slave-labor program, as a form of contribution to the German war potential after the outbreak of the war.

As to the state of mind of the defendants, neither the testimony of the witness Paul Otto Schmidt in the session of 2 October 1947,* which moreover has not established any proof of a common knowledge by the German people of Hitler's aggressive plans —nor the statement of the defendant Georg von Schnitzler mentioned under paragraph 64 of the indictment, nor the participation of the defendants von Schnitzler and Krauch in the meeting held by Goering on 17 December 1936, 3 years before the outbreak of the war, alleged under paragraph 28 of the indictment, warrant the conclusion of special knowledge by the defendants of specific aggressive plans of Hitler and their participation in such plannings. Nor can it be considered as sufficient proof in this respect if the prosecution tries to establish the alleged alliance of IG with the Nazi regime (*par. 4 of the indictment*). In this

* Tr. pp. 1537–1600. Paul Otto Schmidt was an official in the German Foreign Office. He served as official interpreter to von Ribbentrop and as personal interpreter to Hitler from 1935 to 1945.

respect the following passage from the IMT judgment concerning the legal aspect of the conspiracy may be quoted:

> "The prosecution says, in effect, that any significant participation in the affairs of the Nazi Party of government is evidence of a participation in a conspiracy that is in itself criminal. Conspiracy is not defined in the Charter. But in the opinion of the Tribunal the conspiracy must be *clearly outlined* in its criminal purpose. It must not be too far removed from the time of decision and of action."[1]

The attempt of the prosecution to implicate the defendants in respect of a participation in waging aggressive wars must also fail according to the IMT judgment, because the defendants had no knowledge of specific aggressive plans of Hitler nor participated therein, the production of war materials as such not constituting a participation in such plannings. Therefore the contribution of IG to the strengthening of the German war potential *after* the outbreak of the aggressive wars cannot be considered as a criminal participation in the waging of aggressive wars. This is clearly indicated in the IMT judgment concerning the acquittal of Speer, the responsible Minister for Armament and War Production, on the charge of crimes against peace. I quote once more:

> "His activities in charge of German armament production were in aid of the war effort in the same way that other productive enterprises aid in the waging of war; but the Tribunal is not prepared to find that such activities involve engaging in the common plan to wage aggressive war as charged under count one or waging aggressive war as charged under count two."[2]

For all these reasons the defense feels that the evidence introduced by the prosecution in support of count one of the indictment is irrelevant and therefore the defendants on legal grounds may move for a finding of not guilty as to the said charge.

The same applies to count five of the indictment, all the more as the prosecution has not introduced any evidence bearing out the allegation that the defendants participated in a concrete common planning or conspiracy to wage aggressive wars.

In its Preliminary Memorandum Brief, Part V, page 3, the prosecution alleges that these defendants over a period of years planned and conspired among themselves and with other persons to carry on the activities described in Parts I, II, and III of the

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[1] *Trial of the Major War Criminals*, vol. I, p. 225.
[2] Ibid., pp. 330 and 331.

Brief, the said conspiracy, which the prosecution styles as the "Farben conspiracy," being also in furtherance of the Nazi conspiracy to commit crimes against peace as found by the IMT. Apart from this, the prosecution alleges that the defendants were also parties to the Nazi conspiracy to commit crimes against peace.

However, the prosecution has not introduced a single piece of evidence bearing out these entirely vague allegations and it is highly significant that, contrary to the other parts of the Prosecution Brief, not a single exhibit number is quoted in Part V of the said Brief dealing with the conspiracy.

Let us bear in mind the IMT statement with regard to the prerequisites of the conspiracy:

> "The Tribunal must examine whether a concrete plan to wage war existed and determine the participants in this concrete plan * * *. In the opinion of the Tribunal, the conspiracy must be clearly outlined in its criminal purpose. It must not be too far removed from the time of decision and of action."*

The statement of the prosecution definitely lacks any reference to such *concrete* plan and the defendants' participation therein. No reference is made to any facts bearing out the allegation that the criminal purpose of such a plan was clearly outlined.

The position of the defense therefore is that the defendants may move for a finding of not guilty on the charge under count five of the indictment.

It may be worth while to point out that in accordance with the opinion of the defense in this case, the prosecution in Case 5, "Flick *et al.*," pending before the Nuernberg Tribunals, has not charged the defendants with the preparation and waging of aggressive wars nor with a conspiracy with such aims.

IV. As far as the cases of alleged spoliation in Austria and Sudeten-Czechoslovakia under count two of the indictment are concerned, the position of the defense is that the evidence introduced by the prosecution is also irrevelant.

Under Article 6, paragraph (*c*) of the Charter and Article II, paragraph 1(*c*) of Control Council Law No. 10 dealing with crimes against humanity, offenses against property, and, consequently, plunder or spoliation, are not mentioned, in contrast to Article 6, paragraph (*b*) of the Charter and Article II, paragraph 1(*b*), of Control Council Law No. 10 dealing with war crimes.

It is the position of the defense therefore that *prima facie,* from a legal point of view, an act of spoliation in a country can be charged only if this country was engaged in open warfare

* Ibid., p. 225.

with Germany, because only in such a case can the rules of warfare, as laid down especially in Article 46, paragraph 2, Article 53, and Article 56 of the Hague Convention, on which the prosecution bases its charge, be considered as having been violated.

In our opinion, there can be no doubt that the omission of the act of spoliation in the enumeration of offenses in Article II, paragraph 1(*c*), of Control Council Law No. 10, is no casual one, as this paragraph follows immediately upon paragraph (*b*)—war crimes—in which the offenses against property and spoliation are expressly mentioned.

The defense cannot agree with the opinion of the prosecution as expressed on page 11 of its Preliminary Memorandum Brief, Part II, that the alleged acts of spoliation in Austria and Sudeten-Czechoslovakia can be charged as crimes against humanity, because, as the prosecution maintains, they were connected with persecution on political, racial, or religious grounds.

The defense definitely cannot follow this somewhat sophistical attempt of the prosecution to bring into play Article II, paragraph 1(*c*), dealing with crimes against humanity. In the first place it should be noted that the partners of IG in the Austrian and Czechoslovakian dealings, which the prosecution styles as acts of spoliation, were legal entities, namely joint stock companies. It appears, however, from the wording of Article II, paragraph 1(*c*), of Control Council Law No. 10 that the offenses enumerated therein can be committed only against individual persons. But apart from that the prosecution has not introduced any evidence bearing out the fact that the transfer of shares or plants to IG in these cases constituted in itself a persecution on political, racial, or religious grounds.

Therefore the defense maintains that, providing the facts are established, the transactions in Austria and Sudeten-Czechoslovakia can be charged as acts of spoliation from a legal point of view only if they constitute war crimes in the meaning of the provisions of the Hague Convention. The prosecution is well aware of the fact that the occupations of Austria and Czechoslovakia were not aggressive *wars* and that therefore the provisions of the Hague Convention, if understood according to their strict wording, do not enter into such cases. The prosecution, however, by referring to certain passages in the IMT judgment maintains, on pages 5 and 6 of its Preliminary Memorandum Brief, Part II, that the IMT ruled nevertheless the applications of the said Convention in both cases as they constituted acts of aggression or military occupation.

In the case of Austria, the IMT, as appears from the judgment

in the case of the defendant von Schirach,[1] has made no indication to this effect, dealing in the case of von Schirach with crimes against humanity only, consisting of a participation in acts of deportation. It is true that von Schirach was not charged with war crimes by the prosecution. In the case of Austria, however, the defense is convinced that the prosecution in the IMT case, who undoubtedly had very carefully considered its indictment, abstained for good reasons from charging the defendant von Schirach with having committed war crimes in Austria. There can be no doubt that the Austrian population could not be considered an enemy population at that time. The existence of an enemy population is, however, an essential feature of a war crime.

As to Czechoslovakia, the prosecution quotes the following passage from the IMT judgment:

> "The occupation of Bohemia and Moravia must * * * be considered a military occupation covered by the rules of warfare."[2]

This passage clearly pertains to Bohemia and Moravia only, and not to Sudeten-Czechoslovakia, for the obvious reason that the occupation of Sudeten-Czechoslovakia was covered by the Munich Pact. If the prosecution on page 6 of its Preliminary Memorandum Brief maintains that no German citizens can derive any rights or privileges therefrom because Hitler never intended to adhere to the Munich Agreement, they overlook that at the time when the Aussig-Falkenau negotiations were completed—namely *before* the occupation of Bohemia and Moravia—the defendants could not have had any knowledge of such intentions of Hitler and therefore were not aware of the fact that they acted in a country which was occupied on the basis of an international agreement, the violation of which was aimed at by one partner thereto. No evidence of such knowledge on the part of the defendants has been presented by the prosecution, and therefore the prosecution has not offered proof of a guilty mind on the part of the defendants, to wit: of any knowledge that they were violating the laws and usages of war.

Aussig-Falkenau being situated at that time in Sudeten-Czechoslovakia, and no acts of spoliation being charged with regard to the territory of Bohemia and Moravia, the prosecution consequently has not established a war crime in the Aussig-Falkenau case.

Apart from all this, a *prima-facie* case of a punishable offense in Austria and Sudeten-Czechoslovakia has not been established

[1] Ibid., p. 318.
[2] Ibid., p. 334.

by the prosecution, even if contrary to the position of the defense it should be assumed that the perpetration of war crimes was possible from a legal point of view in these areas. Even in such a case the prosecution would not have made its case because it has not offered any evidence on the knowledge of the defendants that Austria and Sudeten-Czechoslovakia were "occupied pursuant to a common plan of aggression,"[1] as the IMT styles it. Such knowledge, however, would be an essential feature of guilt on the part of the defendants, who can commit war crimes only if they know that they are violating the rules of war, which presupposes the knowledge that such rules come into force after all.

Summarizing, therefore, the position of the defense is that the evidence offered by the prosecution in the cases of alleged spoliation in Austria and Sudeten-Czechoslovakia does not bear out this specific charge and therefore the defendants may apply already at the present moment for a finding of not guilty.[2]

3. ANSWER TO THE DEFENSE MOTION FOR A FINDING OF NOT GUILTY ON COUNT ONE AND COUNT FIVE AND ON CHARGES IN COUNT TWO RELATING TO AUSTRIA AND CZECHOSLOVAKIA[3]

The following answer is made to the motion of the defense of 17 December 1947 for a finding of not guilty on certain charges in the indictment. This answer will be in two parts. The first will deal with the motion for a finding of not guilty on counts one and five. The second will deal with the motion for a finding of not guilty on the charges in count two under the headings "Farben in Austria" and "Farben in Czechoslovakia."

PART I

Answer to Motion For Finding of Not Guilty on Count One and Count Five

1. The motion of the defense for a finding of not guilty as to counts one and five is predicated on the grounds that the pro-

[1] Ibid., p. 318.

[2] The Tribunal, by an interlocutory ruling of 22 April 1948, in effect granted that part of this motion which petitioned for a finding of not guilty with respect to the charges of spoliation in Austria and Czechoslovakia (sec. IV of the motion). This ruling is reproduced below under section VIII B, vol. VIII, this series, "The Dismissal of the Charges of Spoliation as to Austria and Czechoslovakia." This ruling stated on its face only that it disposed of a general defense motion of 15 April 1948. However, the defense motion of 15 April 1948 referred to, and partly incorporated, the above defense motion of 17 December 1947, insofar as it related to the spoliation charges in Austria and Czechoslovakia. The Tribunal did not pass upon the motion with respect to crimes against peace until final judgment, when it found that all of the defendants were not guilty under counts one and five.

[3] Official Record, Case 6, vol. 52, pp. 2999–3049.

visions of Control Council Law No. 10 relating to crimes against peace are limited in their application to persons who were "directly and personally connected with certain specific secret plannings of Hitler," apparently including only high military and political officials who attended certain specific secret meetings held by Hitler.

2. The motion of the defense is not well founded and should be denied for the following reasons:

A. The position of the defense is contrary to the decision of the International Military Tribunal (hereinafter referred to as the IMT) and if sustained would make such decision meaningless.

B. The position of the defense is contrary to the basic concepts and provisions of Control Council Law No. 10, which govern the jurisdiction of, and the law to be applied, by this Tribunal.

A. The Position of the Defense is Contrary to the Decision of the IMT

3. There is some suggestion in the motion of the defense that the provisions of Control Council Law No. 10 relating to crimes against peace have no application whatsoever to persons other than "high governmental and military functionaries." In referring to Article II of Control Council Law No. 10, the defense state that:

> "The IMT limits the responsibility for crimes against peace to a small circle of the most intimate governmental and military advisers of Hitler."

4. The IMT made no such limitation. On the contrary, the IMT specifically stated:

> "Hitler could not make aggressive war by himself. He had to have the cooperation of statesmen, military leaders, diplomats and businessmen. When they, with knowledge of his aims, gave him their cooperation, they made themselves parties to the plan he had initiated."*

5. Justice Jackson's report of 6 June 1945 to President Truman, which became one of the great cornerstones in drawing up the London Agreement of 8 August 1945, had made the position of the United States clear in this respect. It will also be recalled that Gustav Krupp was indicted in the IMT case. When it appeared that Krupp was physically and mentally incapable of attendance at the sessions, Justice Jackson, signatory to the London Agreement on behalf of the United States and Chief Prose-

* *Trial of the Major War Criminals*, vol. I, p. 226.

cutor for the United States before the IMT, proposed that he be given trial *in absentia,* stating:

> "For over 130 years this family has been the focus, the symbol, and the beneficiary of the most sinister forces engaged in menacing the peace of Europe.
>
> "To drop Krupp von Bohlen from this case without substitution of Alfried, drops from the case the entire Krupp family, and defeats any effective judgment against the German armament makers * * *.
>
> "The United States respectfully submits that no greater disservice to the future peace of the world could be done than to excuse the entire Krupp family and the armament enterprise from this trial in which aggressive war making is sought to be condemned."[1]

Justice Jackson also stated in his answer to the Krupp application:

> "It has at all times been the position of the United States that the great industrialists of Germany were guilty of the crimes charged in this indictment quite as much as its politicians, diplomats, and soldiers. Its chief of counsel, on 7 June 1945, in a report to President Truman, released by him and with his approval, stated that the accusations of crimes include individuals in authority in the financial, industrial and economic life of Germany as well as others."[2]

6. It is clear beyond a doubt, therefore, that the London Charter and the decision of the IMT contemplated the punishment of persons in the financial, industrial, and economic life of Germany for crimes against peace.

7. The defense also argues that the theory of the prosecution as set forth in the Preliminary Memorandum Brief is inconsistent with the judgment of the IMT because such judgment allegedly limited responsibility to those who were "directly and personally connected with certain specific secret plannings of Hitler," apparently, according to the defense, including only those who attended certain specific secret meetings held by Hitler. The defense points to the decision by the IMT with respect to the Reich Cabinet and with respect to the following persons: Schacht, von Papen, Speer, Sauckel, Kaltenbrunner, Frank, Streicher, von Schirach, Bormann, Fritzsche, Frick, Funk, Doenitz, Seyss-Inquart. The defense also quotes from certain portions of the IMT judgment relating to crimes against peace and

[1] Ibid. (answer of the United States to the application by Krupp that his trial be deferred) pp. 134–138.

[2] Ibid., p. 137.

to the acquittals of the above persons on certain charges. It is the view of the prosecution that the defense completely misinterprets the decision of the IMT, and that to sustain the position of the defense would render such decision meaningless.

8. Before analyzing those portions of the IMT judgment which the defense alleges are contrary to the position of the prosecution, it will be helpful to have the record show certain indisputable facts with respect to this judgment, some of which are not clearly indicated in the defense motion:

a. The IMT judgment is based on (1) the provisions of the Charter, which established the jurisdiction of the IMT and defined the crimes to be tried by that Tribunal; (2) the indictment which was filed pursuant to the provisions of the Charter; and (3) the evidence then available and introduced by the prosecution to support the indictment and the counterevidence introduced by the defense. (It should be recalled that only 6 months elapsed between the collapse of Germany and the filing of the IMT indictment—and that since then a great deal of additional incriminating evidence has been discovered.)

b. Count one of the IMT indictment entitled "The Common Plan or Conspiracy" charged a common plan or conspiracy to commit crimes against peace, war crimes and crimes against humanity, as defined in the Charter. The language of count one, as well as the fact that it charged a conspiracy, is of importance. For the IMT judgment was based on the conspiracy as charged, not on *any* conspiracy to commit crimes against peace. As the IMT found, the conspiracy charged in the indictment "covers 25 years";* the Nazi Party was regarded as "the instrument of cohesion among the defendants"; and it was contended in effect "that any significant participation in the affairs of the Nazi Party or government is evidence of a participation in a conspiracy that is in itself criminal." No comparable allegations are contained in count five of the indictment in Case 6. Count two entitled "crimes against peace" charged participation in the planning, preparation, initiation, and waging of wars of aggression.

c. All of the 22 defendants in the IMT case were indicted under count one; 16 were indicted under count two; 8 defendants were convicted under count one, and 14 were acquitted. Twelve defendants were convicted under count two and 4 were acquitted.

The following is a classification of the defendants in the IMT case, based on charges, convictions, and acquittals under count one ("common plan or conspiracy") and count two ("crimes against peace").

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* Ibid., pp. 224 and 225.

(1) *Convicted on count one and count two*

Goering	Rosenberg
Hess	Raeder
von Ribbentrop	Jodl
Keitel	von Neurath

(2) *Acquitted on count one and count two*

Schacht	Speer
von Papen	Sauckel

(3) *Acquitted on count one, not charged on count two*

Kaltenbrunner	von Schirach
Frank	Fritzsche
Streicher	Bormann

(4) *Acquitted on count one, convicted on count two*

Frick	Seyss-Inquart
Doenitz	Funk

9. In analyzing the IMT decision we should also bear in mind that the crime against peace requires both an act and a state of mind.* In dealing with the *act* we have stated that anyone who bears a substantial responsibility for conducting activities which are vital to furthering the military power of a country *participates* in the crime. With respect to the *state of mind,* this is the *knowledge* that such military power will be used or is being used for the purposes of carrying out a national policy of aggrandizement to take from the peoples of other countries their land, their property, or their personal freedoms.

It is the position of the prosecution that in connection with the charges of preparation and planning and the charge of conspiracy it is sufficient if there exists the belief that although actual force will be resorted to if necessary, such purpose will be accomplished by using the military power merely as a threat; and that it is not essential that the defendants know precisely which country will be the first victim or the exact time that the property rights or the personal freedoms of the peoples of any country will be under attack.

10. A separate question which need not be discussed here concerns what type and quantum evidence is necessary to establish beyond a reasonable doubt that any particular defendant knew at any particular time that Germany's military power would be used for the purpose of carrying out a national policy of aggrandizement to take from the peoples of other countries

* See Prosecution Preliminary Memorandum Brief, Part I, p. 9.

their land, their property, and their personal freedoms.* It is sufficient to note here that the prosecution does not contend that the wide publicity given to the program and aims of the Hitler movement over a period of years is enough in itself to establish beyond a reasonable doubt that the average person within Germany had the required knowledge. And the evidence must establish more than knowledge of the aggressive program and aims of the Nazi government and belief that there was a possibility that force would be used to carry out the policy of aggrandizement. It must establish beyond a reasonable doubt that the defendants believed that actual force would be employed if necessary to achieve such policy.

11. The evidence which the prosecution is relying on in Case 6 to prove knowledge (in addition to what was common knowledge), is outlined in Part I of the Prosecution Brief. While the prosecution does contend that the defendants in Case 6 had a great deal more information and sources of knowledge than the average person within Germany, the prosecution does not need to contend that the defendants in Case 6 had more information and sources of knowledge about Germany's aggressive aims than many of the defendants in the IMT case, including some of those who were acquitted on count one and/or count two. It is not necessary to discuss here, for example, whether Krauch, Schmitz, von Schnitzler, and other members of the Vorstand knew more about Germany's aggressive aims than Schacht, who lost his influence in 1936; von Papen, who never was in any particular favor with Hitler and who left the Reich Cabinet in 1934; or Speer and Sauckel, who only held positions of influence well after all the wars had commenced. And we need not consider whether the fact that a particular defendant in the IMT case held a position "in the Government" throughout the crucial period necessarily meant that he knew as much or understood as much about Hitler's program of aggression as many key figures "outside the government." (Streicher, for instance, despite his wide reputation as "Jew-baiter number one," was no more closely connected with the policies and planning of the Nazi government than was Huey Long with the policies and planning of the United States Government in Washington.) Whether or not the defendants in Case 6 knew more about Hitler's aggressive aims than some of the IMT defendants who were acquitted is not controlling here. For in examining those portions of the IMT opinion relating to the defendants who were acquitted on count one and/or count two, it must be emphasized that the decision

* The defense motion does not contend that the evidence fails to establish the state of mind claimed as essential by the prosecution.

involved both elements of the crime against peace, namely the act and the state of mind. It will be seen that, in general, the reasons for the acquittals in the IMT judgment were not based on any alleged lack of the required state of mind, but were rather based on the lack of sufficient *participation* by the defendants acquitted to constitute the required *act*.

12. It must also be borne in mind that the indictment in Case 6 charges participation in the *waging* of wars of aggression and invasions; and that the activities of the defendants in connection with both spoliation and slave labor have been charged as constituting an integral part of the preparation and waging of aggressive wars and invasions.[1] The IMT indictment included the charge of "waging" wars of aggression in count two.[2] In two cases where the IMT was not satisfied that individual defendants had sufficiently participated in the early planning and preparation of wars of aggression, the IMT did find the requisites of the crime of waging aggressive war established by the proof adduced. This is particularly true in the case of the defendant Doenitz.[3] In the findings with respect to Frick, the IMT also emphasized particularly the participation of this defendant in acts constituting the waging of aggressive war. In those cases where the defendants were found guilty on count two of the IMT indictment, the IMT set forth acts of participation in waging and conduct in support of the aggressive wars. With respect to the charge of waging aggressive war, the principal test of criminality revolves around the extent and nature of the participation, since it is difficult to see how any intelligent person can reasonably claim that he did not know that Germany's invasions and wars were aggressive once they had started, however much he may claim he thought they were justified. In practice it is often difficult to distinguish sharply between the waging of the earlier invasions and aggressive wars and the preparation for the subsequent aggressive wars. This is particularly true since no intelligent person could have any illusions about Hitler's aggressive policies after the earlier invasions and wars of aggression, and since any substantial participations in waging the earlier invasions and aggressive wars were clearly parts of the preparation for those aggressions which Hitler and his military strategists would initiate in their own good time. The IMT noted that "The Charter makes the planning *or waging* of a war of aggression * * * a crime."[4] The distinction emphasized by the IMT, of course, is likewise to be found in Control Council Law No. 10.

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[1] See Prosecution Memorandum Brief, Part I, pp. 74, 75; Part II, p. 1; Part III, pp. 3–5.
[2] *Trial of the Major War Criminals*, vol. I, p. 42.
[3] Ibid., p. 310.
[4] Ibid., p. 219.

General Comments on "Planning Conferences"

13. Before analyzing one by one those portions of the IMT judgment referred to by the defense, it will be helpful to make certain general observations concerning what the defense describe as the "secret conferences" which, according to the IMT, were decisive for the knowledge of a few close advisers of Hitler's aggressive plans. The defense places a great deal of reliance upon the four secret meetings to which the IMT made special reference "because of the light they shed upon the question of the common plan and aggressive war."* Apparently, according to the defense, persons who did not attend these conferences cannot be convicted on a charge of participating in the planning, preparation, and initiation of invasions and aggressive wars. Not only does the defense misinterpret the significance which the IMT attached to these meetings (see discussion *infra*), but it has failed to study the attendance records of these meetings. Thus, of the eight persons who were convicted on count one, two of such persons, namely the defendants Hess and Rosenberg, did not attend such meetings. So far as the convictions on count two are concerned, of the 12 persons who were convicted on this count, six attended such meetings and six did not attend such meetings. Thus, Hess, Rosenberg, Frick, Doenitz, Seyss-Inquart, and Funk did not attend these planning conferences. In fact all four defendants who were convicted on count two but acquitted on count one did not attend such meetings. On the basis of these facts, without any more, the most that can be said is that the IMT regarded the attendance at such meetings as being one relevant fact in connection with determining the guilt of a defendant for the particular common plan and conspiracy charged in the IMT indictment. We have already seen that the common plan and conspiracy as worded in the IMT indictment had the Nazi Party as its core, and all allegations in connection with the common plan or conspiracy as there charged were centered about Hitler's plans and programs. It is not surprising, therefore, to find that attendance at Hitler's important meetings was regarded as having some significance in connection with the role played by military and political advisers to Hitler.

But even to suggest that the attendance at such meetings has any relevancy with respect to people in the financial, industrial, and economic life of a country is to suggest the answer. Preparation for, and the waging of, aggressive wars required, as stated by the IMT, "the cooperation of statesmen, military leaders, diplomats, and businessmen." These groups of men played different

* Ibid., p. 188.

roles according to their positions and talents. The industrialists and economists had relatively little, if anything, to do with the strategic and tactical plannings of campaigns and diplomatic maneuvers. Their part in the program was to build up a war machine which constituted the force necessary to carry out the program and, eventually, to exploit the economic and human potential of the peoples of the conquered lands. It would be strange, indeed, if we should find the Farben Vorstand at the particular strategic conferences on which the defense lay so much stress. Had Hitler found them sitting there he might well have asked: "What are you doing here, why aren't you out doing your job?"

14. *The Reich Cabinet.* The defense quotes the following passage from the opinion of the IMT:

> "A number of the Cabinet members were undoubtedly involved in the conspiracy to make aggressive war: but they were involved as individuals and there is no evidence that the Cabinet as a group or organization took any part in these crimes. It will be remembered that when Hitler disclosed his aims of criminal aggression at the Hossbach Conference, the disclosure was not made before the Cabinet and that the Cabinet was not consulted with regard to it, but, on the contrary, that it was made secretly to a small group upon whom Hitler would necessarily rely in carrying on the war. Likewise no Cabinet order authorized the invasion of Poland. On the contrary, the defendant Schacht testifies that he sought to stop the invasion by a plea to the Commander in Chief of the Army that Hitler's order was in violation of the Constitution because not authorized by the Cabinet." [1]

The defense fails to quote the portion of the IMT judgment immediately preceding, which reads as follows:

> "As to the first reason for our decision, it is to be observed that from the time that it can be said that a conspiracy to make aggressive war existed the Reich Cabinet did not constitute a governing body, but was merely an aggregation of administrative officers subject to the absolute control of Hitler. *Not a single meeting of the Reich Cabinet was held after 1937,* but laws were promulgated in the name of one or more of the Cabinet members. The Secret Cabinet Council never met at all." [2] [Emphasis supplied.]

Even in that portion which the defense did quote it is to be noted

[1] Ibid., pp. 275 and 276.
[2] Ibid., p. 275.

that the Tribunal said that "There is no evidence that the Cabinet as a group or organization *took part* in these crimes." In other words, it is clear that the IMT did not feel that the Reich Cabinet as a group played a sufficient role to be regarded as having performed the necessary *act* of participation.

It is also not without significance that the IMT gave the following additional reason for their decision:

> "As to the second reason, it is clear that those members of the Reich Cabinet who have been guilty of crimes should be brought to trial; and a number of them are now on trial before the Tribunal. It is estimated that there are 48 members of the group, that eight of these are dead, and 17 are now on trial, leaving only 23 at the most, as to whom the declaration could have any importance. *Any others who are guilty should also be brought to trial;* but nothing would be accomplished to expedite or facilitate their trials by declaring the Reich Cabinet to be a criminal organization."[1] [Emphasis supplied.]

15. *Acquittal of Schacht on count one and count two.* Here again the defense fails to quote all relevant portions of the IMT judgment. The defense quotes this passage:

> "It is clear that Schacht was a central figure in Germany's rearmament program, and the steps which he took, particularly in the early days of the Nazi regime, were responsible for Nazi Germany's rapid rise as a military power. But rearmament of itself is not criminal under the Charter. To be a crime against peace under Article 6 of the Charter it must be shown that Schacht carried out this rearmament as part of the Nazi plans to wage aggressive wars * * *. He was clearly not one of the inner circle around Hitler which was most closely involved with this common plan."[2]

The following portions of the judgment[3] are not quoted by the defense:

> "Schacht, by April 1936, began to lose his influence as the central figure in the German rearmament effort when Goering was appointed Coordinator for Raw Materials and Foreign Exchange. Goering advocated a greatly expanded program for the production of synthetic raw materials which was opposed by Schacht on the ground that the resulting financial strain might involve inflation. The influence of Schacht suffered further when, on 16 October 1936, Goering was appointed

[1] Ibid., p. 276.
[2] Ibid., pp. 308; 310.
[3] Ibid., pp. 307; 308; 309.

Plenipotentiary General for the Four Year Plan with the task of putting 'the entire economy in a state of readiness for war' within four years. Schacht had opposed the announcement of this plan and the appointment of Goering to head it, and it is clear that Hitler's action represented a decision that Schacht's economic policies were too conservative for the drastic rearmament policy which Hitler wanted to put into effect * * *. "*Schacht disagreed with Goering on certain basic policy issues. Schacht, on financial grounds, advocated a retrenchment in the rearmament program, opposed as uneconomical much of the proposed expansion of production facilities, particularly for synthetics*, urged a drastic tightening on government credit * * *.

"On 7 January 1939, Schacht submitted to Hitler a report signed by the directors of the Reichsbank which urged a drastic curtailment of armament expenditures * * *. On 23 July 1944, Schacht was arrested by the Gestapo and confined in a concentration camp until the end of the war * * *.

"Schacht, as early as 1936, began to advocate a limitation of the rearmament program for financial reasons. *Had the policies advocated by him been put into effect, Germany would not have been prepared for a general European war.* Insistence on his policies led to his eventual dismissal from all positions of economic significance in Germany. On the other hand, Schacht, with his intimate knowledge of German finance, was in a peculiarly good position to understand the true significance of Hitler's frantic rearmament, and to realize that the economic policy adopted was consistent only with war as its object * * *.

"*His participation* in the occupation of Austria and the Sudetenland (neither of which are charged as aggressive wars) *was on such a limited basis that it does not amount to participation in the common plan charged in count one.*" [Emphasis supplied.]

Thus the situation with respect to Schacht as presented to the IMT on the basis of the evidence introduced by the prosecution and the defense appears to have been the following:

a. Up to early 1936 (when, according to the IMT, Schacht began to lose his influence) it can well be said that Schacht participated in a substantial way in building up the military power of Germany. However, as stated by the IMT, "* * * rearmament of itself is not criminal under the Charter."* It must be accompanied by a guilty state of mind. The IMT took the view that *during this period of time* the evidence did not establish beyond a reasonable doubt the requisite state of mind on the part of

* Ibid., p. 309.

Schacht. Thus the IMT cites with considerable reliance the following testimony of Schacht:

> "Schacht has contended that he participated in the rearmament program only because he wanted to build up a strong and independent Germany which would carry out a foreign policy which would command respect on an equal basis with other European countries; *that when he discovered that the Nazis were rearming for aggressive purposes he attempted to slow down the speed of rearmament*; and that after the dismissal of von Fritsch and von Blomberg he participated in plans to get rid of Hitler, first by deposing him and later by assassination."[1] [Emphasis supplied.]

Therefore, during the period when Schacht was participating in a substantial way, "the inference that Schacht did in fact know of the Nazi aggressive plans" had "not been established beyond a reasonable doubt."[2]

b. After Schacht, by his own admission "discovered that the Nazis were planning for aggressive purposes," the IMT found that he no longer *participated* in a substantial way in furthering the military power of Germany. In fact he advocated policies which, according to the IMT, meant that, if carried out, Germany would not have been prepared for war, and he took steps to withdraw from active participation. Accordingly, while Schacht was participating he did not have the guilty state of mind; after he knew what it meant to participate he refused to do so. It is, of course, axiomatic that the act and the state of mind required to convict a defendant of a crime must have been concurrent.

c. Schacht's participation in the occupation of Austria and the Sudetenland deserve special comment. In the first place it will be noted that the IMT speaks about such participation as being on "such a limited basis that it does not amount to participation in the common plan," thus confirming the interpretation of the IMT decision discussed above. In other words with respect to Austria and the Sudetenland the IMT spoke of the lack of a sufficient act, rather than the lack of the requisite state of mind. In this connection, it should also be noted that the IMT specifically referred to the fact that neither the occupation of Austria nor the Sudetenland had been *charged* as aggressive war.[3]

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[1] Ibid., p. 309.

[2] Ibid., p. 310.

[3] Ibid., p. 309. The IMT is frequently cited as holding that the occupations of Austria and the Sudetenland did not constitute aggressive wars. Actually the IMT did not and could not have decided this question, since the indictment filed before the IMT never charged that such occupations were aggressive wars. It is also noteworthy that the Charter did not contain the concept of "invasions" as distinguished from "aggressive wars," which appears in Control Council Law No. 10. Moreover, the IMT did find the seizure and occupation of Austria an aggressive act and a "crime within the jurisdiction of the Tribunal." See discussion Part II of this answer, paragraph 5.

16. *Acquitttal of von Papen on count one and count two.* The quotations from the IMT by the defense are again very inadequate. The defense quotes:

> "The evidence leaves no doubt that von Papen's primary purpose as Minister to Austria was to undermine the Schuschnigg regime and strengthen the Austrian Nazis for the purpose of bringing about the Anschluss. To carry through this plan he engaged in both intrigue and bullying. But the Charter does not make criminal such offenses against political morality, however bad these may be. Under the Charter von Papen can be held guilty only if he was a party to the planning of aggressive war. There is no evidence that he was a party to the plans under which the occupation of Austria was a step in the direction of further aggressive action."[1]

The rest of the sentence which concludes this passage reads: "'or even that he participated in plans to occupy Austria by aggressive war if necessary." Further quotations from the part of the opinion relating to von Papen are:

> "After the signing of this agreement [concerning Austria of 11 July 1936] von Papen offered to resign but his resignation was not accepted * * *.
>
> "On 4 February 1938, von Papen was notified of his recall as Minister of Austria * * *.
>
> "No evidence has been offered showing that von Papen was in favor of the decision to occupy Austria by force, and he has testified that he urged Hitler not to take this step.
>
> "After the annexation of Austria von Papen retired into private life and there is no evidence that he took any part in politics."[2]

It is accordingly clear that the decision of the IMT is based on the thesis that the activities in which von Papen was engaged up until early 1938 did not constitute a sufficient *participation* to warrant conviction. His activities were not even regarded as being substantially in furtherance of any plan to use military force against Austria if that should become necessary, let alone as being in furtherance of "plans under which the occupation of Austria was a step in the direction of further aggressive action."

17. *Acquittal of Speer on count one and count two.* The portion of the IMT opinion relating to Speer, quoted by the defense, speaks for itself:

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[1] Ibid., p. 327.
[2] Ibid., pp. 326 and 327.

"The Tribunal is of the opinion that Speer's activities do not amount to initiating, planning, or preparing wars of aggression, or of conspiracy to that end. He became the head of the armament industry well after all of the wars had been commenced and were under way. His activities in charge of German armament production were in aid of the war effort in the same way that other productive enterprises aid in the waging of war; but the Tribunal is not prepared to find that such activities involve engaging in the common plan to wage aggressive war as charged under count one or waging aggressive war as charged under count two."[1]

Speer "became the head of the armament industry well after all the wars had been commenced and were under way." The Tribunal did not regard his activities at such a late date as constituting a sufficient *participation.* That this is true is conclusively demonstrated by the fact that Doenitz, who participated actively "immediately upon the outbreak of war" was found guilty of *waging* aggressive war. It is obvious that once the wars had started, both Doenitz and Speer knew that they were aggressive. Accordingly, the state of mind of both was sufficient, provided the act of participation existed. The reading of those portions of the judgment relating to Doenitz and Speer indicate that the IMT regarded Doenitz' activities as constituting sufficient participation, whereas they did not so regard Speer's, on the basis of the evidence introduced. (It may be noted that practically all of the evidence before the Tribunal concerning Speer's activities related to a limited part of his participation in the slave-labor program.) There is nothing in the IMT judgment indicating that the Tribunal thought that Doenitz had a different state of mind as to the wars being waged than Speer.

18. *Acquittal of Sauckel on count one and count two.* The reason Sauckel was acquitted on counts one and two is thus stated by the Tribunal:

"The evidence has not satisfied the Tribunal that Sauckel was sufficiently connected with the common plan to wage aggressive war or sufficiently involved in the planning or waging of aggressive wars to allow the Tribunal to convict him on counts one and two."[2]

That the reason for acquittal was insufficient participation by a person who assumed important duties in March 1942, and not lack of a guilty state of mind, is clear.

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[1] Ibid., pp. 330 and 331.
[2] Ibid., p. 320.

It should be noted at this point that the prosecution does not regard this decision as detracting in any way from its position that the slave-labor program was an integral part of the preparation for and waging of aggressive wars. The most that can be said of the decision with respect to Sauckel is that engaging in, or participating, long after all the aggressive wars had been initiated, in the slave-labor program *alone* was not deemed by the Tribunal as being sufficient to constitute the act of participation in aggressive war.

(NOTE: The next six defendants discussed, namely Kaltenbrunner, Frank, Streicher, von Schirach, Fritzsche, and Bormann, were not indicted under count two of the IMT indictment, which is comparable to count one of the indictment in Case 6; quite apart from the fact that count one of the IMT indictment, under which they were charged, was substantially different from the present count five of the indictment in Case 6.)

19. *Acquittal of Kaltenbrunner on count one.* The acquittal of Kaltenbrunner on count one was based squarely on the finding that the evidence did not show "his direct participation" in any conspiracy to wage an aggressive war. Kaltenbrunner was "after the Anschluss * * * appointed Austrian State Secretary for Security and when this position was abolished in 1941 he was made Higher-SS and Police Leader." [1] Only on 30 January 1943 was Kaltenbrunner appointed Chief of the Security Police and SD and Head of the Reich Security Main Office. It may be noted that, in referring to the evidence with respect to the activities of Kaltenbrunner, the IMT specifically mentioned that the invasion of Austria, which the IMT labeled an "aggressive act," *had not been charged as an aggressive war.*

20. *Acquittal of Frank on count one.* The reasons for the acquittal of Frank on count one are stated in these words by the Tribunal: "The evidence has not satisfied the Tribunal that Frank was *sufficiently connected* with the common plan to wage aggressive war to allow the Tribunal to convict him on count one." [2] Frank's position *before 1939* was described by the IMT as follows:

> "He became a member of the Reichstag in 1930, the Bavarian State Minister of Justice in March 1933, and when this position was incorporated into the Reich Government in 1934, Reich Minister without Portfolio. He was made a Reichsleiter of the Nazi Party in Charge of Legal Affairs in 1933, and in the same year President of the Academy for German Law." [3]

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[1] Ibid., p. 291.
[2] Ibid., p. 296.
[3] Id.

21. *Acquittal of Streicher on count one.* Given the very nature of Streicher's activities, as reprehensible as they were, on the basis of the evidence introduced, the Tribunal did not find beyond a reasonable doubt that such activities were sufficiently connected with a common plan or conspiracy to wage aggressive war. Mere participation in some of the inhumane policies of the Nazi government does not necessarily constitute participation in their program for aggression. Streicher's position in the Third Reich was described by the IMT as follows:

> "One of the earliest members of the Nazi Party, joining in 1921, he took part in the Munich Putsch. From 1925 to 1940, he was Gauleiter of Franconia. Elected to the Reichstag in 1933, he was an honorary general in the SA." [1]

22. *Acquittal of von Schirach on count one.* Until 1940, von Schirach was Reich Leader of German Youth; thereafter he was Gauleiter and Reichsleiter of the City of Vienna. The IMT made the following comments concerning the participation by von Schirach in the common plan or conspiracy:

> "Despite the warlike nature of the activities of the Hitler Jugend, however, it does not appear that von Schirach was involved in the development of Hitler's plan for territorial expansion by means of aggressive war, or that he participated in the planning or preparation of any of the wars of aggression." [2]

The IMT indictment had charged the following as part of the common plan or conspiracy of which the Nazi Party was the "central core":

> "In order to make the German people amenable to their will and to prepare them psychologically for war, the Nazi conspirators reshaped the educational system, and particularly, the education and training of the German youth." [3]

Thus the IMT indictment itself only stressed the "warlike nature" of these activities and did not charge their direct relationship to "Hitler's plan for territorial expansion."

23. *Acquittal of Fritzsche on count one.* The portion of the judgment cited by the defense concerning Fritzsche is especially revealing:

> "Never did he achieve sufficient stature to attend the planning conferences which led to aggressive war; indeed accord-

[1] Ibid., p. 301.
[2] Ibid., p. 318.
[3] Ibid., p. 34.

ing to his own uncontradicted testimony he never even had a conversation with Hitler. Nor is there any showing that he was informed of the decisions taken at these conferences. His activities cannot be said to be those which fall within the definition of the common plan to wage aggressive war as already set forth in this judgment." [1]

It shows, we believe, that he was acquitted not because he did not have the requisite state of mind, but because he did not engage in activities regarded as sufficient to constitute participation. As the IMT stated:

"Fritzsche had no control of the formulation of these propaganda policies. He was merely a conduit to the press of the instructions handed him by Dietrich * * *. In the beginning Dietrich and other heads of divisions exerted influence over the policies to be followed by radio. Towards the end of the war, however, Fritzsche became the sole authority within the Ministry for radio activities." [2]

Thus, the IMT found that Fritzsche participated only in a minor way up until late in the war. Insofar as he participated substantially late in the war, his case is similar to the case of Sauckel and Speer.

24. *Acquittal of Bormann on count one.* The portion of the IMT judgment concerning the charges against Bormann under count one reads as follows:

"Bormann, in the beginning a minor Nazi, steadily rose to a position of power and, particularly in the closing days, of great influence over Hitler. He was active in the Party's rise to power and even more so in the consolidation of that power. He devoted much of his time to the persecution of the churches and of the Jews within Germany.

"The evidence does not show that Bormann knew of Hitler's plans to prepare, initiate, or wage aggressive wars. He attended none of the important conferences when Hitler revealed piece by piece these plans for aggression. Nor can knowledge be conclusively inferred from the positions he held. *It was only when he became head of the Party Chancellery in 1941, and later, in 1943, Secretary to the Fuehrer, when he attended many of Hitler's conferences, that his positions gave him the necessary access.* Under the view stated elsewhere which the Tribunal has taken of the conspiracy to wage aggressive war,

[1] Ibid., p. 337.
[2] Id.

there is not sufficient evidence to bring Bormann within the scope of count one."[1] [Emphasis supplied.]

Although the above-quoted portion speaks of "knowledge," a reading of the whole decision on Bormann, including that part concerning war crimes and crimes against humanity, indicates that the evidence did not show any substantial participation by Bormann in furtherance of the war effort until 1941, well after most of the aggressions had been launched. The fact that the evidence did not show that he "knew" of the details of Hitler's plans confirms the fact that his rise to a "position of power" in the government was "in the closing days." To the extent that the IMT meant to indicate a lack of a sufficient state of mind on the part of Bormann, it should be noted that "he devoted much of his time to the persecution of the churches and of the Jews within Germany"; and that the evidence introduced by the prosecution was devoted almost entirely to these activities and to the other war crimes and crimes against humanity referred to in the IMT decision.

25. *Acquittal of Frick on count one, conviction on count two.* In acquitting Frick of participation in the common plan or conspiracy, the Tribunal stated:

> "Before the date of the Austrian aggression Frick was concerned only with domestic administration within the Reich. The evidence does not show that he participated in any of the conferences at which Hitler outlined his aggressive intentions. Consequently the Tribunal takes the view that Frick was not a member of the common plan or conspiracy to wage aggressive war as defined in this judgment."[2]

In other words, Frick's activities before the Austrian aggression did not constitute a substantial enough contribution to the common plan or conspiracy. Frick was found guilty on count two. One of the important considerations, in the view of the IMT, was the fact that Frick's participation in furthering Germany's aggressive program became substantial only after aggression had started. The common plan or conspiracy as charged in count one of the IMT indictment, was so worded that, as stated by the Tribunal, it "covers 25 years, from the formation of the Nazi Party in 1919 to the end of the war in 1945."[3] Although the IMT did not find any master conspiracy covering 25 years (stating that "It must not be too far removed from the time of decision and of action"),[4] the IMT apparently did feel that in order to estab-

[1] Ibid., pp. 338 and 339.
[2] Ibid., p. 299.
[3] Ibid., p. 224.
[4] Ibid., p. 225.

lish the common plan or conspiracy *as it was charged,* a substantial participation had to be established before the beginning of the first aggression, the invasion of Austria.

26. *Acquittal of Doenitz on count one, conviction on count two.* In acquitting Doenitz on count one, the Tribunal stated:

> "He was a line officer performing strictly tactical duties. He was not present at the important conferences when plans for aggressive wars were announced, and there is no evidence he was informed about the decisions reached there."[1]

The Tribunal then found that his contribution to the *waging* of war was sufficient to convict him under count two. The Tribunal stated:

> "Doenitz did, however, wage aggressive war within the meaning of that word as used by the Charter. Submarine warfare which began immediately upon the outbreak of war, was fully coordinated with the other branches of the Wehrmacht. It is clear that his U-boats, few in number at the time, were fully prepared to wage war."[2]

The whole basis of the judgment with respect to Doenitz thus depends on the *extent of his participation.*

27. *Acquittal of Seyss-Inquart on count one, conviction on count two.* The activities of Seyss-Inquart for which he was convicted under count two started "in the last stages of the Nazi intrigue which preceded the German occupation of Austria." The basic reasons why Frick was acquitted on count one and convicted on count two are equally applicable here.

28. *Acquittal of Funk on count one, conviction on count two.* The reasoning of the Tribunal is particularly significant and in full accord with the position of the prosecution. We quote in full from the portion of the IMT judgment dealing with the conviction of Funk under count two and his acquittal under count one:

> "Funk became *active in the economic field after the Nazi plans to wage aggressive war had been clearly defined.* One of his representatives attended a conference on 14 October 1938, at which Goering announced a gigantic increase in armaments and instructed the Ministry of Economics to increase exports to obtain the necessary foreign exchange. On 28 January 1939, one of Funk's subordinates sent a memorandum to the OKW on the use of prisoners of war to make up labor deficiencies which would arise in case of mobilization. On 30 May 1939,

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[1] Ibid., p. 310.
[2] Id.

the Under-Secretary of the Ministry of Economics attended a meeting at which detailed plans were made for the financing of the war.

"On 25 August 1939, Funk wrote a letter to Hitler expressing his gratitude that he was able to participate in such world-shaking events; that his plans for the 'financing of the war' for the control of wage and price conditions and for the strengthening of the Reichsbank had been completed; and that he had inconspicuously transferred into gold all foreign exchange resources available to Germany. On 14 October 1939, after the war had begun, he made a speech in which he stated that the economic and financial departments of Germany working under the Four Year Plan had been engaged in the secret economic preparation for war for over a year.

"Funk participated in the economic planning which preceded the attack on the U.S.S.R. His deputy held daily conferences with Rosenberg on the economic problems which would arise in the occupation of Soviet territory. Funk himself participated in planning for the printing of ruble notes in Germany prior to the attack to serve as occupation currency in the U.S.S.R. After the attack he made a speech in which he described plans he had made for the economic exploitation of the 'vast territories of the Soviet Union' which were to be used as a source of raw material for Europe.

"Funk was not one of the leading figures in originating the Nazi plans for aggressive war. His activity in the economic sphere was under the supervision of Goering as Plenipotentiary General for the Four Year Plan. He did, however, participate in the economic preparation for certain of the aggressive wars, notably those against Poland and the Soviet Union, but his guilt can be adequately dealt with under count two of the indictment."* [Emphasis supplied.]

28. In summary, the judgment of the IMT, as it relates to the Reich Cabinet and the 14 defendants who were acquitted on certain charges under counts one and two of the IMT indictment, supports rather than contradicts the position of the prosecution. Such acquittals, as we have seen, were based on the whole on insufficient evidence to warrant a finding beyond a reasonable doubt that the defendants had *participated* in a substantial enough degree in the program of aggression. With respect to count one the "common plan or conspiracy," the indictment as framed required substantial participation prior to the invasion of Austria. With respect to count two substantial participation prior to the

* Ibid., pp. 304, 305.

invasion of Austria was not required, but such participation could not begin "well after all the wars had been commenced."

30. In no single case of the acquittal of any of these 14 defendants under count one or count two can the evidence be compared with the evidence of the activities of the defendants in this case extending over a period of years, *beginning a long time before the war and ending only with the collapse of Germany.* It has been shown (*Part I of the Brief*) that the defendants participated through Farben and otherwise in a series of activities over a period of 12 years which included furnishing Hitler with substantial financial support to help him seize power, and continuing to support him financially to keep him in power; working in close cooperation with the Wehrmacht; organizing and preparing mobilization plans; participating in the economic mobilization of Germany for war, including a major role in the Four Year Plan; engaging in activities indispensable to creating and equipping the Nazi war machine; stockpiling strategic war materials; engaging in vital propaganda, intelligence, and espionage activities; using their business connections and cartels as a weapon to weaken the war potential of other countries; camouflaging and using their assets abroad for war purposes; planning to take over the chemical industry of Europe and possibly dominate the chemical industry of the world; plundering the whole of Europe; using slave labor on a vast scale to feed the German war machine. The activities for which the above-mentioned 14 defendants before the IMT were responsible constituted far less a participation in furthering the military power of Germany than did the above activities. The defense places considerable reliance on the acquittals of Schacht, von Papen, and Speer. If any of the defendants in this case could prove, as did Schacht, that he "opposed the proposed expansion of production facilities especially for synthetics" and that "he urged a drastic curtailment of armament expenditure" and that he "participated in plans to get rid of Hitler"; or, as did von Papen, that for political reasons he "offered to resign but his resignation was not accepted" and that he "retired into private life" when aggression began; or, as did Speer, that his participation started only "well after all the wars had been commenced and were under way"; the prosecution would take a very different position with respect to these defendants.

31. The defense cites with considerable reliance the following excerpts from the judgment for the IMT under the heading "The Law as to the Common Plan or Conspiracy":

> "The Tribunal must examine whether a concrete plan to wage war existed, and determine the participants in that concrete plan. * * *

"But the evidence establishes with certainty the existence of many separate plans rather than a single conspiracy embracing them all."[1]

A careful reading of that portion of the judgment from which these excerpts are taken shows that their real meaning is lost when they are taken out of context. Thus the IMT spoke of the fact that the indictment had charged a common plan or conspiracy covering 25 years, from the formation of the Nazi Party in 1919 to the end of the war in 1945; that the Party was treated in the indictment as the "instrument of cohesion among the defendants" for carrying out the purposes of the conspiracy; that a series of activities over 25 years were charged as constituting "the conspiracy." The IMT judgment then stated:

"The prosecution says, in effect, that any significant participation in the affairs of the Nazi Party or government is evidence of a participation in a conspiracy that is in itself criminal. Conspiracy is not defined in the Charter. But in the opinion of the Tribunal the conspiracy must be clearly outlined in its criminal purpose. It must not be too far removed from the time of decision and of action. The planning, to be criminal, must not rest merely on the declarations of a party program, such as are found in the 25 points of the Nazi Party, announced in 1920, or the political affirmations expressed in *Mein Kampf* in later years. *The Tribunal must examine whether a concrete plan to wage war existed and determine the participants in that concrete plan.*

"It is not necessary to decide whether a single master conspiracy between the defendants has been established by the evidence. The seizure of power by the Nazi Party, and the subsequent domination by the Nazi State of all spheres of economic and social life must of course be remembered when the later plans for waging war are examined. That plans were made to wage war, as early as 5 November 1937, and probably before that, is apparent. And thereafter, such preparations continued in many directions, and against the peace of many countries. *Indeed the threat of war—and war itself if necessary—was an integral part of the Nazi policy. But the evidence establishes with certainty the existence of many separate plans rather than a single conspiracy embracing them all.*"[2] [Emphasis supplied.]

In other words, the IMT did not find it necessary to decide whether "a single master conspiracy" extending over 25 years existed as "a concrete plan to wage war," but did find that the

[1] Ibid., p. 225.
[2] Id.

evidence established with certainty "the existence of many separate plans." In so finding, it is significant that the IMT stated that "the threat of war—and war itself if necessary—was an integral part of the Nazi policy."

32. Not only do the above portions of the IMT decision support the position of the prosecution, but other portions of the IMT decision affirmatively support this position. The IMT stresses "the reorganization of the economic life of Germany for military purposes" as being a vital part of Germany's preparation for aggression.[1] That the IMT regarded those who participated in the economic mobilization of Germany for aggression as being guilty of a crime against peace is clear. The following quotation from the opinion seems conclusive on this point:

> "Continued planning, with aggressive war as the objective, has been established beyond doubt. The truth of the situation was well stated by Paul Schmidt, official interpreter of the German Foreign Office, as follows:
>
> 'The general objectives of the Nazi leadership were apparent from the start, namely the domination of the European Continent, to be achieved first by the incorporation of all German-speaking groups in the Reich, and secondly, by territorial expansion under the slogan "Lebensraum." The execution of these basic objections, however, seems to be characterized by improvisation. Each succeeding step was apparently carried out as each new situation arose, but all consistent with the ultimate objectives mentioned above.'
>
> "The argument that such common planning cannot exist where there is complete dictatorship is unsound. A plan in the execution of which a number of persons participate is still a plan, even though conceived by only one of them; and those who execute the plan do not avoid responsibility by showing that they acted under the direction of the man who conceived it. Hitler could not make aggressive war by himself. He had to have the cooperation of statesmen, military leaders, diplomats, and businessmen. When they, with knowledge of his aims, gave him their cooperation, they made themselves parties to the plan he had initiated. They are not to be deemed innocent because Hitler made use of them, if they knew what they were doing. That they were assigned to their tasks by a dictator does not absolve them from responsibility for their acts. The relation of leader and follower does not preclude responsibility here any more than it does in the comparable tyranny of organized domestic crime."[2]

[1] Ibid., pp. 182–186.
[2] Ibid., pp. 225 and 226.

The defense attempt to argue that the phrase "with knowledge of his aims" means "being directly and personally connected with specific secret plannings of Hitler." Neither the words themselves, nor the context in which they appear, nor anything in the IMT judgment, can justify such a construction.

33. The discussions of the IMT on the seizure of Austria (not charged in the indictment before the IMT as an aggressive war) also reveal the real basis of that judgment and show that the reasoning of the prosecution in this case is entirely consistent with the theory of the IMT. Thus the Tribunal stated:

> "The invasion of Austria was a premeditated aggressive step in furthering the plan to wage aggressive wars against other countries. As a result Germany's flank was protected, that of Czechoslovakia being greatly weakened. The first step had been taken in the seizure of 'Lebensraum'; many new divisions of trained fighting men had been acquired; and with the seizure of foreign exchange reserves, the rearmament program had been greatly strengthened.
>
> * * * * * * *
>
> "It was contended before the Tribunal that the annexation of Austria was justified by the strong desire expressed in many quarters for the union of Austria and Germany; that there were many matters in common between the two peoples that made this union desirable; and that in the result the object was achieved without bloodshed.
>
> "These matters, even if true, are really immaterial, for the facts plainly prove that the methods employed to achieve the object were those of an aggressor. The ultimate factor was the armed might of Germany ready to be used if any resistance was encountered."*

And as pointed out in the prosecution's brief, the IMT, in discussing the decision to seize Austria and Czechoslovakia, made the following comments with respect to defendant Raeder's state of mind:

> "The defendant Raeder testified that neither he, nor von Fritsch, nor von Blomberg, believed that Hitler actually meant war, a conviction which the defendant Raeder claims that he held up to 22 August 1939. The basis of this conviction was his hope that Hitler would obtain a 'political solution' of Germany's problems. But all that this means, when examined, is the belief that Germany's position would be so good, and Germany's

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* Ibid., p. 192.

armed might so overwhelming that the territory desired could be obtained without fighting for it."[1]

34. Not only is the position of the prosecution consistent with the IMT judgment, but the position urged by the defense, if adopted, would render the decision utterly meaningless. The mere statement of what the position of the defense amounts to seems to be in itself an answer. According to the defense, any person may feel free to play a vital role in building up a country's war machine—knowing that it is going to be used to take from the peoples of other countries their land, their property, or their personal freedoms—so long as such a person does not attend a military conference in which it is decided that during a particular period of time a certain country will be invaded. If Hitler had called all of these defendants to a formal conference and had said to them: "I want you to go and make a war machine so that I can conquer other countries; I cannot tell you now which country will be first or when I shall begin; I am not sure yet myself; so many things can happen, political, military, what not; but you can be sure we will get what we want and there will be plenty of spoils to divide amongst us,"[2] then, according to the position of the defense, these defendants would have been free to participate in this program in as great a degree as possible, without being criminally responsible, merely because Hitler had not told them what country he was going to attack first, or when the people of that country would be hit over the head, or in the words of the motion, had not given them "definite" or "special knowledge of specific aggressive plans."

35. The defense argues that "the limitation of the persons responsible for crimes against peace by the IMT is well justified by the fact that otherwise the scope of responsible persons would practically be unlimited, which would result in mass punishment." This is an attempt by the defense to distort completely the position of the prosecution. The prosecution has not argued for a proposition which would result in mass punishment. The interpretation which the prosecution puts on the judgment of the IMT and the theory it takes with respect to crimes against peace in accordance with that interpretation is diametrically opposed

[1] Ibid., p. 191. The defense attempt to take away from the force of this passage from the IMT judgment by pointing to the fact that the defendant Raeder "was one of the five leaders present at the Hossbach Conference of 5 November 1937." That the defendant Raeder took part in this conference is obviously a relevant fact in considering the extent of his over-all *participation* in the planning and waging of aggressive war, but it is difficult to see how it qualifies in any respect that portion of the IMT judgment quoted. (see supra.)

[2] It will be recalled that Krauch and von Schnitzler (who reported to the enlarged Farben Committee) heard Goering say in December 1936, in Hitler's presence:

"The struggle which we are approaching demands a colossal measure of productive ability. No end of the rearmament is in sight. * * * If we win industry will be sufficiently compensated." (*NI–051, Pros. Ex. 421, reproduced below in section VII F 2.*)

to any theory of mass punishment. By limiting the criminal responsibility of persons to those who bear a substantial responsibility for conducting activities which are vital to furthering a country's military power for the purposes indicated, we have placed a more realistic as well as a stricter limit upon those who could be held responsible than is placed by the theory advanced by the defense. The defense tries to place a limit on the persons who can be held responsible by defining in an arbitrary and unrealistic manner the state of mind which such persons are required to have. Under this arbitrary definition, if a few leaders of a country keep certain details secret, then the number of persons liable might well be small—in fact possibly only a handful of persons would be liable for a world tragedy and for the death of millions of people. But if the leaders should announce these details then we would indeed have mass punishment. Suppose Hitler had announced to the German people in August 1939, that unless certain demands of his for Polish territory were met he would attack Poland in September. Is it the position of the defense that this would mean that all people within Germany who participated in furthering this program would be guilty? By limiting criminal responsibility in terms of the extent of participation and a reasonable definition of the required state of mind (rather than in arbitrary and meaningless terms of the state of mind) the position of the prosecution limits responsibility in a far more effective and realistic way than does the position of the defense.

36. The whole basis of the IMT judgment is that civilized society regards the use of force between nations in the same light as the use of force between persons within nations. A long time ago one man could take from another by force his land, his property, and even his life, without being held responsible. Society came to realize that this was wrong and that unless a stop were put to it, it would mean the end of society. And so the common law courts declared these things criminal in accordance with the overwhelming wishes of the members of the local communities—there was a first robbery case, a first murder case. The law was putting its stamp on the moral code of civilized communities. The IMT judgment stands for the same thing, only on a world scale. The international community came to regard the use of force by the people of one nation to take away that which belonged to the people of another nation as being wrong, and realized that unless a stop were put to this it would mean the end of world civilization. It is this simple proposition, nothing more and nothing less, that the prosecution is contending for here. We say that the IMT is meaningless if it stands for anything less than this.

The very foundation of this proposition is, of course, destroyed if a person can escape responsibility by showing that, although he played a substantial and vital role in building up a country's war machine, knowing it was to be used for taking land and property from other people by force, he did not know where and when the first attack would take place. If a number of men should participate in an undertaking to rob a series of banks in a town, it would hardly be suggested that any one of them could escape responsibility by alleging that although he participated in the undertaking (knowing banks would be robbed), he had not been advised which bank would be robbed first or when the first robbery was scheduled to take place. If one group of gangsters should decide to "eliminate" a rival gang by killing most of its members, anyone participating in such an undertaking would not be heard to defend his actions by alleging that he did not know precisely which members of the rival gang it had been decided to murder, or who was to be murdered first, or when the first murder was scheduled to occur.

B. The Position of the Defense is Contrary to the Basic Concepts and Provisions of Control Council Law No. 10, Which Govern the Jurisdiction of and the Law to be Applied by this Tribunal

37. The foregoing indicates why the prosecution believes that the position of the defense is contrary to the decision of the IMT, and if sustained would render that decision meaningless. Moreover, even assuming it could be contended that the London Charter and the decision of the IMT did not cover certain aspects of this case, we are dealing here with the provisions of Control Council Law No. 10. The provisions of Control Council Law No. 10 are broader in some respects than the provisions of the London Charter, and to the extent that they are broader, such provisions and not the provisions of the London Charter govern the jurisdiction of, and the law to be applied by, this Tribunal. The defense argues that the provisions of Control Council Law No. 10 "must be kept within the limits of the interpretation of the Charter adopted by the IMT judgment." There are no grounds for such a contention, which, in effect, amounts to a collateral attack upon the jurisdictional basis of the very law to which this Tribunal owes its existence. The reasoning by which defense reaches that conclusion is that the Charter of the International Military Tribunal controls these proceedings, and that to the extent that Control Council Law No. 10 goes beyond the provisions of the Charter as interpreted by the International Military Tribunal, it is invalid. The defense also apparently contends that even if the Control Council for Germany had the power to enact

legislation containing provisions broader than the Charter as interpreted by the IMT, such provisions, to the extent they are broader, are *ex post facto* and therefore invalid. Both positions are untenable.

As to the Validity of Control Council Law No. 10

38. In the judgment of Military Tribunal III (*United States vs. Altstoetter et al., the Justice case*) the Tribunal considered at length the jurisdictional enactments of these Military Tribunals and concluded:

> "We hold that the legal right of the Four Powers to enact C.C. Law No. 10 is established and that the jurisdiction of this Tribunal to try persons charged as major war criminals of the European Axis must be conceded * * *. We sit as a Tribunal drawing its sole power and jurisdiction from the will and command of the Four occupying Powers."[1]

Military Tribunal No. III also stated:

> "Since the IMT Charter and Control Council Law No. 10 are the products of legislative action by an international authority, it follows of necessity that there is no national constitution of any one state which could be invoked to invalidate the substantive provisions of such international legislation. It can scarcely be argued that a court which owes its existence and jurisdiction solely to the provisions of a given statute could assume to exercise that jurisdiction and then, in the exercise thereof, declare invalid the act to which it owes its existence. Except as an aid to construction, we cannot and need not go behind the statute."[2]

The Tribunal then referred to the discussion of the IMT in connection with the contention then made by the defendants that it partook of the nature of *ex post facto* legislation, and quoted the following from the IMT judgment:

> "The Charter makes the planning or waging of a war of aggression, or a war in violation of international treaties, a crime; and it is therefore, not strictly necessary to consider whether and to what extent aggressive war was a crime before the execution of the London Agreement."[3]

Treating Control Council Law No. 10 as substantive legislation by the Four Occupying Powers of Germany, there remains for consideration the argument of the defense that the Control Council Law cannot introduce any elements not dealt with in the Charter of the IMT.

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[1] Vol. III, this series, pp. 963 and 964.
[2] Ibid., p. 965.
[3] See *Trial of the Major War Criminals*, vol. I, p. 219.

39. We are not dealing at this point with the question of interpretation or construction of the Control Council Law. The question which the defense raises is one of power. As we understand their argument they say that when the Four Powers signed the London Agreement of 8 August 1945 and made the Charter a part thereof, they exhausted and spent their full legislative authority over Germany insofar as the trial of major war criminals was concerned. And that in any event the Charter itself fixed the limits of the powers of the Control Council in this respect.

40. There is no need to dwell on the point that the act of entering into the London Agreement by the Four Powers was a full and complete exercise of their legislative powers over Germany. There is no such limitation on the exercise of sovereign powers. As to the point that the Charter purports to be a limitation on the subsequent exercise of power by the Control Council, the Agreement is susceptible to no such interpretation. (And even if it were so intended at the time, the Four Powers, acting through their representatives on the Control Council, would not be bound by their own limitations.)

41. The London Agreement of 8 August 1945, by its very terms, recognizes the Control Council for Germany as having independent powers in this field. This Article 1 of the Agreement states:

> "There shall be established *after consultation with the Control Council for Germany* an International Military Tribunal for the trial of war criminals whose offenses have no particular geographical location * * *." [Emphasis supplied.]

This provision for consultation with the Control Council confirms the fact that the Four Powers did not intend, by entering into the London Agreement, to deprive their own supreme governing body in Germany of any of its inherent powers.

42. That the Four Powers took this view of the situation is made clear by the provisions of Control Council Law No. 10 itself, which became effective a few months after the London Agreement was signed, and one month after the IMT trial had started. Thus, the preamble recites that the Control Council Law is enacted not only to give effect to the Moscow Declaration, the London Agreement, and the Charter, but also "in order to establish a uniform legal basis in Germany for the prosecution of war criminals and other similar offenders, other than those dealt with by the International Military Tribunal." Also Article I [C.C. Law No. 10] provides that:

> "Adherence to the provisions of the London Agreement by any of the United Nations, as provided for in Article V of that

Agreement, shall not entitle such Nations to participate or interfere in the operation of this Law within the Control Council Area of authority in Germany."

43. In any event, even assuming the London Agreement and Charter were considered as binding where applicable, their provisions are manifestly not applicable to the situation under discussion. The definition of "crimes against peace" and other crimes in the Charter is preceded by this [Article 6]:

"The *Tribunal* established by the Agreement referred to in Article 1 hereof for the trial and punishment of the major war criminals of the European Axis countries shall have the power to try and punish persons who, acting in the interests of the European Axis countries, whether as individuals or as members of organizations, committed any of the following crimes.

"The following acts, or any of them, are crimes coming within the jurisdiction of the *Tribunal* for which there shall be individual responsibility." [Emphasis supplied.]

The Tribunal referred to is the International Military Tribunal, composed of four members (each with an alternate) appointed by the Four Powers respectively. Thus, the crimes defined in the Charter are acts over which the Charter gave the IMT jurisdiction. The Charter does not purport to define such crimes for any other purpose, and certainly does not purport even to suggest that the jurisdiction of Tribunals other than the IMT are to be limited by such definitions.

If it is contended that these particular provisions of the London Charter, referring as they do only to acts which are crimes within the jurisdiction of the IMT, are applicable and binding here, such an argument can only mean that the IMT should be sitting today trying persons who committed such crimes as defined in the Charter, and that Control Council Law No. 10 is void, and this Tribunal was illegally constituted.

Concerning the "Ex Post Facto" Argument

44. The defense also argues that if Control Council Law No. 10 is construed as being any broader than the London Charter as interpreted by the IMT, this would mean "punishment of crimes without a preexisting law." The position of the defense apparently is that the London Charter and the IMT completely codified international law as it existed at the time the crimes were committed. No basis exists for such a contention. The London Agreement incorporating the Charter was signed on 8 August 1945, and the Control Council Law No. 10 was signed by the Four Powers on 20 December 1945. Neither the London Charter nor

the Control Council Law No. 10 purports to codify completely international law existing at the time, whether with respect to crimes against peace, war crimes, or crimes against humanity. Each of them, in the words of Chief Justice Stone (*Pros. Brief, p. 6*) should be treated as a "recognition of a policy by the supreme law-making body," and "as both a declaration and a source of law, and as a premise for legal reasoning." As we have seen, the Charter only defined such crimes in setting forth the jurisdiction of the IMT. The provisions of Control Council Law No. 10 are no more *ex post facto* by reason of the fact that they were inserted in Control Council Law No. 10 in December 1945, than they would be had they been included in the London Charter in August 1945. In either case, assuming for argument that the principle of *ex post facto* is applicable here, the sole test would be whether or not such provisions purported to be more than a codification of international law as it existed *when the crimes were committed.* There is no reason for giving more weight to the provisions of the Charter, as a codification of international law existing in 1938 and 1939, than to the provisions of the Control Council Law which created and governs this Tribunal.

45. In any event, the very foundation of any *ex post facto* argument is lacking when such argument is applied to the scope of crimes against peace relied upon by the prosecution for the purposes of this case. In the words of the Honorable Henry Stimson:

> "The charge of aggressive war is unsound, therefore, only if the community of nations did not believe in 1939 that aggressive war was an offense. Merely to make such a suggestion, however, is to discard it. Aggression is an offense, and we all know it; we have known it for a generation. It is an offense so deep and heinous that we cannot endure its repetition."

The prosecution cannot believe the defense wishes to contend that, when the acts involved were committed, the world had not condemned the use of force by the people of one nation to take away that which belonged to the people of another nation; but had only condemned the participation in strategy meetings at which discussions were held as to whom should be attacked first and when the attack should take place.

The Provisions of Control Council Law No. 10

46. The provisions of Control Council Law No. 10 are broader than the provisions of the London Charter in the following significant respects:

a. The definition of "crimes against peace" as set forth in

paragraph 1 of Article II contains the concept *"invasions of other countries,"* which was not contained in the Charter.

b. Paragraph 2 of Article II contains the following substantive provisions not contained in the Charter:

> "Any person without regard to nationality or the capacity in which he acted, is deemed to have committed a crime as defined in paragraph 1 of this Article, if he was (*a*) a principal or (*b*) was an accessory to the commission of any such crime or ordered or abetted the same or (*c*) took a consenting part therein or (*d*) was connected with plans or enterprises involving its commission or (*e*) was a member of any organization or group connected with the commission of any such crime or (*f*) with reference to paragraph 1 (*a*), if he held a high political, civil or military (including General Staff) position in Germany or in one of its Allies, cobelligerents or satellites, or held a high position in the financial, industrial or economic life of any such country."

47. The reason for the inclusion of the concept "invasion" in the Control Council Law is evident. It can only mean that Control Council Law No. 10 comprehended the seizures of Austria and Czechoslovakia (which the IMT indictment had referred to as "aggressive actions" and "invasions," but had not charged as "aggressive wars") under the definition of "crimes against peace." This is especially significant in that it serves to confirm that the use of force by one country to take away that which belongs to another is the cornerstone of what the Control Council Law is condemning, just as it had already been condemned by the civilized world *and was later condemned in the IMT judgment.*

48. If there were any need for further confirmation of the fact that Control Council Law No. 10 covers the activities of persons other than "high governmental and military functionaries," paragraph 2 of Article II would supply such confirmation. As pointed out in the Prosecution Brief (*p. 7*), it is overtly clear from such paragraph that Control Council Law No. 10 recognizes no distinction between so-called "private persons" and so-called "government officials." Whatever interpretations may be attached to the provisions of paragraph 2 (*f*) insofar as it relates to the question of the evidence and proof—whether it shifts the burden of going forward with the evidence (as distinguished from the burden of proof), or whether it creates certain inferences, or is merely to be regarded as making certain facts particularly relevant—it is difficult to see how anyone can question that it reveals

the intention of the framers of Control Council Law No. 10 to have its provisions equally as applicable to persons holding high positions in the financial, industrial, or economic life of a country as to persons holding high positions in the political, civil, or military life of Germany.

49. It might be noted here that the defense interjects at this point in its motion a question as to whether the prosecution is contending that it does not have the burden of proving beyond a reasonable doubt the guilt of each individual defendant. The prosecution does not understand why there should be any confusion on this point, but in order to make the record clear we state here that the prosecution believes that it has the burden, and assumes the burden, of proving beyond a reasonable doubt that each individual defendant is guilty of the crimes charged in the indictment.

50. The provisions of paragraph 2 of Article II as a whole are broader in some respects than the provisions of the Charter. They furnish a different starting point for this Tribunal than that which was applicable to the IMT. This Tribunal is clearly not bound by the provisions of the London Charter or the IMT decision in interpreting these aspects of the Control Council Law.

51. Certainly as an aid to construction of Control Council Law No. 10 (assuming there is an ambiguity requiring such aid), this Tribunal will take cognizance of the factual situation which gave rise to the codification of "crimes against peace," namely, the fact of "total war." It would be contrary to our experience to say that the preparation for aggressive total war is limited to a handful of political and military leaders of a state. This Tribunal will take judicial notice of the fact that to prepare for total war involves the entire economic system of a country which has to be organized for that purpose over a period of years. Certainly, knowing participation in the preparation of aggressive total war could not by its very nature be limited to a handful of military or political leaders.

Conclusions

52. The entire argument of the defense is based upon fundamental misconceptions and upon two complete distortions of what is charged in this case:

A. It is apparent that the IMT, including as it did continental jurists, chose to regard the scope of "conspiracy" as charged in the IMT indictment as far narrower than the scope of actual participation in the planning, preparing, initiating, and waging of aggressive wars. That is why many more of the IMT defendants were acquitted under count one than count two, and why many more were convicted under count two than under count one. But

the defendants in this case, throughout their argument, assume that their guilt is to be determined in the same way as guilt under the conspiracy charge in count one of the IMT indictment; and deliberately ignore both the fact that count one in the indictment in this case does not charge "conspiracy," but rather actual participation in the planning, preparing, initiating, and waging of invasions and aggressive wars, and the fact that the "conspiracy" as charged in the IMT indictment was a special sort of conspiracy.

B. The defendants suggest that, because certain well-known Nazis were acquitted under count one (and four only under count two) of the IMT indictment, the defendants in this case, whose names are admittedly not as notorious, cannot possibly be guilty. But it is obvious that mere notoriety is not the test of guilt in the commission of crimes against peace. The only valid test is whether the evidence establishes knowledge and participation in the manner hereintofore described. True it is that Julius Streicher achieved far more notoriety as a Jew baiter in Nuernberg than did Carl Krauch as one of the key planners of the war in Berlin, but it by no means follows from Streicher's acquittal on count one of the IMT indictment that Krauch should be acquitted under count one or count five of the indictment in this case. If notoriety were important, the prosecution could point to the fact that the activities of Farben in preparing Germany for war are world-famous. But it is the nature and significance of these activities and not the notoriety which is important here. No defendant acquitted in the IMT case was shown to have been engaged in activities as indispensable to aggression as the activities in which these defendants were engaged over a long period of time. And no such defendant knew better the importance and significance of his participation than did these defendants.

53. The defense asks this Tribunal to say that although there is participation in a general plan to prepare a country for aggressive action against neighboring countries, and that although preparation extends over a period of years in furnishing the force needed to carry out the aggressive policy, nevertheless there can be no responsibility of the persons who participated in such preparation unless they had special knowledge of certain details, including specific knowledge of the individual victims against whom that force was to be unleashed during any specific period of time. Such a construction is plainly contrary to the terms of Control Council Law No. 10, and would render meaningless the various forms of participation which are set forth in paragraph 2 of Article II of Control Council Law No. 10, as constituting activities for which criminal responsibility attaches.

54. If the construction urged by the defense is correct, namely

that only the small select group who had special knowledge of the individual planned aggressions against identified countries are criminally responsible, then the attempt of the international community to prevent planning and preparation and the initiation of wars of aggression and invasions has failed. Such a construction would be more tragic than a mere confession of the failure of law as a means to prevent aggressive war. It would amount to legal sanction for a course of conduct involving planning and preparation to wage wars of aggression, and would indicate to future participants just how to be immune from justice. It would indicate to the next aggressor just how to proceed with its planning and preparation in order to avoid personal responsibility of the individuals engaged in that enterprise, and would necessarily result in having the planning so arranged that only one or two persons would be answerable for the supreme international crime. If such a construction were adopted, then the international community would be worse off today than it was prior to the judgment of the IMT, and it would have to confess that these problems cannot be handled by law but must be dealt with by executive action at the end of each succeeding war.

55. This aggressive war did happen. It was started by Germany after extensive plans and preparations. According to the defense, there is no guilt for this crime except upon the handful of persons who were convicted by the IMT. We need not for present purposes go into the question of the extent of responsibility in the moral sense. In the criminal sense set forth in Control Council Law [No. 10], there is the legislative intention on the part of the occupying powers to hold personally responsible those individuals who substantially participated in the planning and preparation of this crime, and the difference between substantial participation with the required state of mind and just being a member of the German State (the farmer, the worker, the soldier, the butcher, the baker, and the candlestick maker) who helped in such preparation is the difference in degree which is applied in every judicial proceedings. These defendants who participated so substantially in the preparation and planning indicated by the evidence, cannot be heard to say that they should be freed lest the individual soldier who went to battle, the individual farmer who increased his crop to support the armed forces, and the worker who put in overtime to produce the material for war, be held guilty. These defendants are not on the same level as the persons just referred to, either from the standpoint of the extent of their participation or from the standpoint of what they knew, and the Control Council Law plainly intends to reach persons on the level of these defendants because of the substantial

difference in the degree of their participation and knowledge of what they were doing. In charging personal guilt under the Control Council [Law], the very fact that such a judgment is to be made by the judiciary after a trial is the assurance that there will be an individual evaluation as to degrees of participation and knowledge so that mass punishment cannot ensue. If mass punishment were ever intended by the Allied powers occupying Germany, there would have been no need to establish these elaborate Military Tribunals and to give these defendants a fair and impartial trial. Mass punishment is not the purpose or intention of the Allied Powers, nor is it the intention of Control Council Law No. 10. It is the feeble excuse raised by the defendants to exculpate themselves from responsibility for their world-wide, known participation in the preparation and waging of the invasions and aggressive wars charged.

56. In support of its position, the defense refers to the "highly significant decision of the Supreme Court of the United States in the Macintosh case." What was involved in that case was a question of statutory construction, the United States naturalization laws—whether Congress did, in fact, require as a condition to the granting of citizenship to an alien a pledge that he would bear arms in defense of his country. In any event, the Macintosh case was specifically overruled by the United States Supreme Court in 1946 in the case of *Girouard* v. *United States* [328 U.S. 61, 68] (October Term, 1945, No. 572, Argued 4 March 1946—Decided 22 April 1946). In concluding that "the Schwimmer, Macintosh and Bland cases do not state the correct rule of law," the Supreme Court stated in part:

> "The struggle for religious liberty has through the centuries been an effort to accommodate the demands of the State to the conscience of the individual. The victory for freedom of thought recorded in our Bill of Rights recognizes that in the domain of conscience there is a moral power higher than the State. Throughout the ages men have suffered death rather than subordinate their allegiance to God to the authority of the State. Freedom of religion guaranteed by the First Amendment is the product of that struggle. As we recently stated in *United States* v. *Ballard,* 322 U.S. 78, 86, 'Freedom of thought, which includes freedom of religious belief, is basic in a society of free men. *Board of Education* v. *Barnette,* 319 U.S. 624.' The test oath is abhorrent to our tradition. Over the years Congress has meticulously respected that tradition and even in time of war has sought to accommodate the military requirements to the religious scruples of the individual. We do not believe that Congress intended to reverse that policy when it

came to draft the naturalization oath. Such an abrupt and radical departure from our traditions should not be implied."

57. In requesting that the Tribunal deny the motion of the defense *in toto,* the prosecution wishes to emphasize that it believes this can be done solely on the basis that such motion is contrary to the decision of the International Military Tribunal and if granted would render that decision meaningless. However, the defense assertions concerning the provisions of Control Council Law No. 10 raise a serious challenge to the jurisdiction of this Tribunal, and are otherwise important for many reasons apart from the basic issues raised by the defense motion. Hence, we have answered them here.

PART II

Answer to the Motion for Finding of Not Guilty on Charges in Count Two Relating to Austria and Czechoslovakia

Spoliation

1. The defense argues that the evidence relating to the activities charged as plunder and spoliation in Austria and Czechoslovakia is irrelevant. The defense argues that these activities did not constitute war crimes for the following reasons:

> "It is the position of the defense, therefore, that *prima facie,* from a legal point of view, an act of spoliation in a country can be charged *only if this country was engaged in open warfare with Germany, because* only in such a case the rules of warfare as laid down especially in Article 46, paragraph 2, Article 53, and Article 56 of the Hague Convention, on which the prosecution bases its charge, can be considered as having been violated."

2. It would seem a sufficient answer to point out again that the IMT stated (concerning Bohemia and Moravia, which were never "engaged in open warfare with Germany"):

> "The occupation of Bohemia and Moravia must therefore be considered a military occupation covered by the rules of warfare. Although Czechoslovakia was not a party to the Hague Convention of 1907, the rules of land warfare expressed in this Convention are declaratory of existing international law and hence are applicable."*

Since the IMT considered the occupation of Bohemia and Moravia "a military occupation covered by the rules of warfare," and since Bohemia and Moravia were never "engaged in open warfare

* Ibid., p. 334.

with Germany," the contention of the defense that open warfare is a prerequisite of spoliation is clearly contrary to the IMT decision. It would be a mockery, indeed, if the protection of international law with respect to acts involving property extended only to those nations who were strong enough to resist aggression, and if no punitive measures could be expected if the aggressors conquered without resistance. In giving its reasons "as to the guilt or innocence" of the defendant Seyss-Inquart, the IMT stated:

> "As Reich Governor of Austria, Seyss-Inquart instituted a program of confiscating Jewish property."[1]

(NOTE: For a further discussion of this point, see paragraph 7, Part II, Plunder and Spoliation, of the Preliminary Memorandum Brief of the prosecution.)

Crimes Against Humanity

3. The motion also raises the question whether crimes against humanity, as a legal proposition, can be perpetrated against legal entities, e.g., stock corporations. The formal legalistic argument does not withstand analysis. If a group of persons, on political, racial, or religious grounds, is deprived of its property, it cannot make any difference whether such property was held by the persons individually or through the medium of a legal entity; whether they owned and controlled it directly or indirectly, whether in their own name, or by their participation in stock corporations. Farben had no doubts of this kind when, for reducing the "purchase price," it advanced the argument that, lacking such "sale" to Farben, the enterprise involved—a legal entity, namely a stock corporation—would have difficulties as a "Jewish" enterprise. At that time, Farben manifestly proceeded on the assumption that it is not the legal form that counts but the men of flesh and blood who are the real parties in interest (NI–8588, Pros. Ex. 1089).

4. Since the prosecution also alleges that spoliation constitutes crimes against humanity, we consider again the defense contention that "Spoliation * * * can be charged only if this country was engaged in open warfare with Germany." This again is a challenge to the IMT. In the case of the defendant von Schirach, the IMT indictment charged only that his conduct in Austria constituted crimes against humanity. The IMT found that the occupation of Austria was a "crime within the jurisdiction of the Tribunal" and found that von Schirach's acts in occupied Austria constituted crimes against humanity as charged in the IMT indictment.[2]

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[1] Ibid., p. 328.
[2] Ibid., pp. 318 and 319.

5. In view of the judgment rendered by Tribunal IV in Case 5, the United States of America *v.* Friedrich Flick *et al,*[1] certain observations may be appropriate here concerning crimes against humanity committed before 1 September 1939, even though such a question was not raised by the defense motion.

The London Charter, in the definition of crimes against humanity, uses the words: "* * * in execution of or in connection with any crime within the jurisdiction of the Tribunal."

The IMT decision is sometimes cited as holding that this language meant that no crime against humanity committed before 1 September 1939 came within the jurisdiction of the Tribunal. In fact, the IMT did not so hold. In discussing the general purport of this language, the IMT states as follows:

> "To constitute crimes against humanity, *the acts relied on before the outbreak of war must have been in execution of, or in connection with, any crime within the jurisdiction of the Tribunal.* The Tribunal is of the opinion that revolting and horrible as many of these crimes were, it has not been satisfactorily proved that they were done in execution of, or in connection with, any such crime. The Tribunal therefore cannot make a *general declaration that the acts before 1939 were crimes against humanity within the meaning of the Charter,* but from the beginning of the war in 1939, war crimes were committed on a vast scale which were also crimes against humanity; and insofar as the inhumane acts charged in the indictment, and committed after the beginning of the war, did not constitute war crimes, they were all committed in execution of, or in connection with, the aggressive war, and therefore constituted crimes against humanity." [Emphasis supplied.][2]

Thus the IMT specifically indicated that acts before the "outbreak of war" might be within the jurisdiction of the Tribunal if it could be shown that they were in execution of, or in connection with, a crime within the jurisdiction of the Tribunal; but stated that it could not make a *general declaration* that acts before 1939 were crimes against humanity within the meaning of the Charter. However, insofar as crimes against humanity committed in Austria during the occupation of Austria are concerned, the IMT specifically stated the following in connection with the conviction of von Schirach:

> "Von Schirach is not charged with the commission of war crimes in Vienna, only with the commission of crimes against

[1] Vol. VI, this series.

[2] *Trial of the Major War Criminals,* vol. I, p. 254 and 255.

humanity. As has already been seen, Austria was occupied pursuant to a common plan of aggression. Its occupation is, therefore, a 'crime within the jurisdiction of the Tribunal' as that term is used in Article 6 (*c*) of the Charter. As a result, 'murder, extermination, enslavement, deportation, and other inhumane acts' and 'persecutions on political, racial, or religious grounds' in connection with this occupation, constitute a crime against humanity under that Article."[1]

Although Von Schirach's activities in Austria occurred after 1 September 1939, the reasoning of the IMT as to crimes against humanity committed during *the occupation of Austria* is equally applicable to the period of occupation of Austria before as after such date. Accordingly, even under the interpretation of the Charter by the IMT, crimes against humanity committed in Austria and Czechoslovakia during the occupation of Austria and Czechoslovakia fall within the jurisdiction of the Tribunal.

6. Furthermore, as we have pointed out, Control Council Law No. 10 is substantive legislation enacted by the Four Occupying Powers in Germany, whose legislative power is not limited by the London Agreement or the Charter. As we have shown more fully in paragraphs 36–44 *supra*: The Charter does not purport to define such crimes for any other purpose, and certainly does not purport even to suggest that the jurisdiction of Tribunals other than the IMT is to be limited by such definitions. The Four Powers were, therefore, within their jurisdiction when defining, in Control Council Law No. 10, crimes against humanity in such way as to omit the restriction: "* * * in execution of, or in connection with, any crimes within the jurisdiction of the Tribunal," and the words are not to be read into Control Council Law No. 10. This construction is borne out by count three, United States of America *vs.* Josef Alstoetter, *et al.*, where the Court held:

> "The evidence to be later reviewed establishes that certain inhumane acts charged in count three of the indictment were committed in execution of, and in connection with, aggressive war and were therefore crimes against humanity even under the provisions of the IMT Charter, but it must be noted that C.C. Law 10 differs materially from the Charter. The latter defines crimes against humanity as inhumane acts, etc., committed 'in execution of, or in connection with, any crime within the jurisdiction of the tribunal,' whereas in C.C. Law 10 *the words last quoted are deliberately omitted from the definition.*"[2] [Emphasis supplied.]

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[1] Ibid., pp. 318 and 319.

[2] Vol. 3, this series, p. 974.

But even if we had to read such words into Control Council Law No. 10, the result would be the same so far as crimes against humanity committed during the occupation of Austria and Czechoslovakia are concerned. This is even clearer under the provisions of Control Council Law No. 10 than under the provisions of the London Charter. Crimes "within the jurisdiction of the Tribunal" are the crimes as defined in Control Council Law No. 10. Conducting invasions under said law is a crime against peace, as is the initiation or waging of a war of aggression. That the crimes committed by the defendants in Austria and Czechoslovakia were perpetrated "in execution of, or in connection with" the crime of the invasions of Austria and Czechoslovakia appears clearly from the evidence submitted. Thus, even assuming that crimes against humanity under Control Council Law No. 10 must be connected with any crimes within the jurisdiction of this Tribunal, such prerequisite, if any, is definitely complied with.

7. It should also be borne in mind in considering the activities of these defendants in Austria and Czechoslovakia that, as pointed out by the IMT:

> "The invasion of Austria was a premeditated aggressive step in furthering the plan to wage aggressive wars against other countries."[1]

Whatever might have been the decision of the IMT if the indictment had charged the seizure of Austria as an *aggressive war,* it is at least clear that the IMT regarded the seizure of Austria as the beginning of aggression. As we have already pointed out in this answer, Control Council Law No. 10 makes even clearer than did the London Charter that the invasions of Austria and Czechoslovakia are to be treated like the invasions of Poland, France, and other countries. The fact that Austria succumbed without a shot being fired is quite immaterial. In the words of the IMT: "The ultimate factor was the armed might of Germany ready to be used if any resistance was encountered."[2] There is no reason, either because of the wording of Control Council Law No. 10 or because of the purpose of that law, for treating plunder in Austria and plunder in Czechoslovakia any differently from plunder in Poland and plunder in France.

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[1] *Trial of the Major War Criminals,* vol. I, p. 192.
[2] Ibid., p. 194.

C. The Alleged Alliance of Farben with Hitler and the Nazi Party

1. INTRODUCTION

The first major subdivision of count one of the indictment was entitled, "A. The Alliance of Farben with Hitler and the Nazi Party." The specifications under this subdivision (*pars. 6 through 18*) overlapped with many of the more detailed specifications of later major subdivisions of count one. Similarly, the evidence included in the present section has a close relation to numerous documents and to much of the testimony reproduced in later sections of this volume.

Beginning with the charge in paragraph 6, that Farben and Hitler "found a basis for close collaboration as early as 1932," subdivision A concluded with allegations in paragraph 18 that: "Having played an indispensable role in preparing Germany for aggressive wars, Farben then played an indispensable role in the waging of such wars" and that the alliance with Hitler "was broken only by the force of arms in May 1945."

The evidence reproduced in the present section is arranged as follows: documents and testimony concerning the meeting of the defendants Buetefisch and Gattineau with Hitler in November 1932, before Hitler became Chancellor of Germany (2 below); evidence concerning a meeting of leading industrialists in Goering's official residence in February 1933, at which Hitler, Goering, and Schacht spoke in connection with the solicitation of funds for the Reichstag elections of March 1933 (3 below); various contemporaneous documents, dated between 1933 and 1944, bearing on Farben's position in the Third Reich and the relation between a number of Farben leaders and the Nazi state and Party during the Hitler period (4 below); testimony of defendants Krauch, ter Meer, Schneider, Gajewski, Haefliger, Kuehne, and Kugler (5 below); testimony of two defense witnesses, Milch and Ohlendorf (6 below); and affidavits of two defense affiants, Hoffmann and Ollendorff (7 below).

2. THE MEETING OF DEFENDANTS BUETEFISCH AND GATTINEAU WITH HITLER IN NOVEMBER 1932 AND THE SUBSEQUENT EXPANSION OF FARBEN'S SYNTHETIC GASOLINE PRODUCTION

PARTIAL TRANSLATION OF DOCUMENT NI–14304
PROSECUTION EXHIBIT 1977

EXTRACTS FROM THE FARBEN PUBLICATION "TWENTY-FIVE YEARS AT THE LEUNA WORKS" CONCERNING THE MEETING OF THE DEFENDANTS BUETEFISCH AND GATTINEAU WITH HITLER IN 1932, AND OTHER MATTERS[1]

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THIRD PART, 1926–1932, PREPARES THE WAY FOR THE NEW TECHNIQUES IN SPITE OF THE WORLD ECONOMIC CRISIS

* * * * * * *

Mysterious haste—historic compulsion. The men who created Leuna gasoline between 1926 and 1932 acted as if someone were standing behind them driving them on to the greatest speed. Actually this was not the case by any means. All the agencies which might have had a say in the matter rather had the effect of brakes. Neither the Aufsichtsrat which had to approve the funds, nor the "System government" (Systemregierung)[2] which levied a special mineral oil adjustment tax on each kilogram of gasoline produced, would have had any objections to a somewhat slower speed. But Geheimrat Bosch and Director Krauch seemed as if possessed by an inner restlessness. They shortened all time limits as much as at all possible; they speeded up the construction of the plants in such a way as to cause people who only knew the commercial point of view to shake their heads.

We know now that this haste was necessary from a historical point of view. The historians of more peaceful times will one day imagine what world history would have been if the gasoline plant in Leuna, still unfinished, had been caught by the world economic crisis and the project had been dropped. The men who urged haste at the time could themselves not have anticipated, however, that in this way they would one day in the not too far distant future make one of his most important decisions easier for the recreator of the German people, the Fuehrer Adolf

[1] Testimony of the defendant Buetefisch concerning the statements made in this publication is reproduced immediately hereinafter.

[2] The Weimar Republic.

Hitler. Without this hurry, the calm certainty of Germany's independence of foreign imports of motor fuels for the Luftwaffe and the most important parts of the rest of the Wehrmacht would have been doubtful.

* * * * * * *

The journey to the Fuehrer. Economic considerations were, however, not the only decisive factors at that time. There was a very great political tension in the summer of 1932. Everyone felt that soon a great decision would have to be made. The masses of the unemployed, as well as industry, which was forced to throttle production, hoped that a change would come soon. Many already anticipated what shape this would take, but no one knew with what fighting and under what conditions it would take place. Therefore the future of the German motor fuel still seemed most uncertain. This was because the consumers were mobilized against the motor fuel duties from time to time. Again and again voices were raised in the press asking for a reduction of these custom duties, allegedly in order to revitalize the automobile industry. There were even opinions which held the hydrogenation in Leuna responsible for the exaggerated gasoline prices and for the failure to reduce gasoline prices.

The Berlin daily, which has already been mentioned, wrote:

> "In summary, it can be said that the State's measures which have been carried through in favor of the domestic production of gasoline and benzene and to the disadvantage of the consumer are not at all in the nature of justified measures to aid a branch of industry which is fighting for its markets. The consumer now has to bear the consequences of enormous wrong investments, and an attempt is made to make the burden of increased price levels easier for him to bear by pointing out the necessity for maintaining German home production in the general interest * * *"

This point of view was typical for that period. At that time the few pennies by which the price of a car ride was increased were considered more important than the prospect of making Germany independent of foreign motor fuel supplies. This political shortsightedness intentionally overlooked the decisive importance of motor fuels in the fight for the liberation of Germany from the chains of Versailles. The usufructuaries of Versailles considered themselves so strong because they thought their superiority was assured in the simplest way. They had an air force and motorized armies. Germany did not. Should Germany, however, succeed in creating something similar, then, if the worst came to the worst, they still had the comfortable expedient of

blockade at their disposal. They would interrupt oil supplies to Germany. Then all German machines would be standing still for lack of lubricants, then no airplane could take off in Germany, and the German motorized troops would have to stop somewhere halfway. This most dangerous effect of blockade would be eliminated if Germany obtained motor fuels and lubricants of every kind through domestic production.

The press opinions, which only stressed the point of view of the consumer regardless of this obvious national emergency, had to be taken seriously in spite of this one-sidedness during the "system" period of that time [Systemzeit].* In view of the insecure political situation, it could, after all, happen that such a short-sighted tendency would gain the upper hand in the government and that within a short time the duties on motor fuel would be reduced. This was all the more likely to happen because powerful foreign interests were also working towards the same goal.

The National Socialist movement, which was growing tremendously, served to counterbalance such tendencies. This movement had not yet, however, adopted a definite attitude on the question of motor fuel duties, and there were indications that the assertion that hydrogenation was too expensive had also made an impression on the National Socialist side.

In this difficult situation, Director Dr. Buetefisch decided to clarify the attitude of the National Socialist movement on the question of German motor fuel at the only really appropriate place, that is, the Fuehrer himself. Through [the defendant] Dr. Gattineau he asked the personal staff of the Fuehrer to set a date for a discussion, and this was approved. The day of this memorable conference has remained indelibly imprinted on Dr. Buetefisch's memory. He reports on it:

> "It was on a lovely summer's day in June 1932. The Reichstag had once again been dissolved and the German people were engaged in an election campaign. We had arrived in Munich by car the previous evening, and this morning waited, as arranged, to be picked up for the reception by the Fuehrer. We waited until the afternoon. Then about 3 o'clock the open car with the Fuehrer's standard appeared and took us through the Munich streets to the Fuehrer's private apartment on Prinzregentenplatz. We entered a workroom which was simply and plainly furnished, and there waited for the Fuehrer's arrival. The previous evening, the Fuehrer had addressed an election meeting in Munich, had driven all night, and had spoken again at a great youth rally at noon. We knew that

* The period of the Weimar Republic.

the Fuehrer had not slept all night and, while we waited, we wondered with slight misgivings whether under these circumstances it would be possible at all to clarify such a difficult question so quickly.

"About 4:30, the Fuehrer entered and greeted us. He knew immediately why we had come, and said: 'Gentlemen, please excuse me if I remain standing. You will understand that at the moment I am very much occupied with the political struggle. But I consider the motor fuel problem to be so important that I wish to force myself to overcome my natural tiredness by standing. But before you tell me your views I would like you to hear my attitude on the whole problem.' Then the Fuehrer described the economic aims in a clear and convincing way. He said: 'Today an economy without oil is inconceivable in a Germany which wishes to remain politically independent. Therefore German motor fuel must become a reality, even if this entails sacrifices. Therefore it is urgently necessary that the hydrogenation of coal be continued.'

"When the Fuehrer had finished his statements, I could only say that there was nothing else to add to his words. Everything that I had intended putting forward had already been said by the Fuehrer. I said that it strengthened us greatly to find this. Then the Fuehrer allowed me to explain the technical points in great detail and surprised me again and again by his amazing understanding for technical matters.

"The conversation which originally was supposed to last only half an hour, because the Fuehrer's time was short, continued for 2½ hours. Finally, the Fuehrer dismissed us with the words: 'I have to leave the technical execution in your hands. That is your job. But our road is the same, and I hope that soon this road will lead to a tremendous strengthening of our Germany!'

"For years I had to keep to myself the prospects which the Fuehrer held out in detail at that time. Already then they covered the whole program of the Four Year Plan. In later years, nothing was changed in the basic outline which was shown at that time. We drove back, proudly conscious of having been given deep insight into history in the making and having had confirmation from the future leader of the German people that our aims were right and our work was of the greatest importance."

This result of the conference with the Fuehrer constituted a great support for Leuna at that time. Now hydrogenation could be continued without hesitation, even if the powers of the "system" period [Systemzeit], now just about to fall, were to start

a new policy on customs duties at the last moment. Now the leading men in I. G. Farbenindustrie made the important decision to maintain Leuna in full operation, even if this entailed sacrifices.

Germany's gasoline requirements by far exceeded anything that Leuna might be able to supply at any time, even if it were expanded as much as possible. In view of the great increase of automobile traffic in Germany, there would not be any stoppage in sales at all, even if ten times as much gasoline as heretofore were to be produced. The hydrogenation process was in working order and had been tested and tried. We waited to use it on a far larger scale. We waited in vain. The decision to do this was not made during the "System's" time [Systemzeit]. First the 30 January 1933 had to come—the seizure of power of the National Socialist movement. This beginning of a new destiny era for Germany also meant an important turning point for Leuna. It brought with it the final confirmation that the work done so far and the battles which the plant often had fought alone, had been right.

FOURTH PART, 1933 TO THE OUTBREAK OF THE WAR—CHAMPION OF ECONOMIC FREEDOM

* * * * * * *

New Life

Various phases in the battle for liberation. At first it was left entirely up to industry to take the first step in starting production of German raw materials on a large scale. I. G. Farbenindustrie had started to expand the processes which it had developed for the production of motor fuels, spun rayon, and synthetic rubber, within the limits of its own financial capacity. The management of Leuna had tried to safeguard the utilization and further development of the hydrogenation process for the sake of an independent German supply of motor fuel, by concluding an agreement with the Reich. The basic principles which the Fuehrer himself had defined when he received Director Dr. Buetefisch in Munich in the fall of 1932 were the guiding factors in the conclusion of this agreement. All the same, the negotiations dragged on for months, until December 1933, when the top government officials concerned, the State Secretary of the Ministry of Economics and the Finance Minister, signed this contract. In 1934 it was the Fuehrer himself who gave the necessary orders for speeding up the effectuation of a state of military preparedness (Wehrhaftigkeit) in the economic field. He charged State Secretary Keppler with the task to create German raw materials. Planning additional installations for

the production of synthetic gasoline, as well as spun rayon and buna, and one factory for the production of fatty acids from paraffin, were part of the execution of this order.

* * * * * * *

LEUNA AND THE FOUR YEAR PLAN

In the autumn of 1936, the Fuehrer announced the Four Year Plan. According to the Fuehrer's own words, it was to call forth the genius of the German chemists and technicians against any attempt to put Germany on short rations. It was to eliminate the last matter in which Germany was still dependent, that is, its economic dependence on powers controlling raw materials.

As part of the Four Year Plan, an Office for German Raw Materials and Synthetics was created, which was later renamed the "Reich Office for Economic Development." Dr. Karl Krauch, the man who, during the decisive years had been responsible for the expansion of Leuna and, as chief of the Sparte, particularly for gasoline synthesis, was appointed chief of this Reich Office. Before that he had been appointed Plenipotentiary General for Special Problems of Chemical Production by Reich Marshal Hermann Goering, and in this capacity had to direct the entire planning for the new raw material plants. He assigned a staff of first-class specialists to this job. It was only natural that specialists from Leuna were also represented among them, because now it was a question of exploiting the experience gained in Leuna on a really large scale for the benefit of the German economy.

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PARTIAL TRANSLATION OF DOCUMENT NI-6530
PROSECUTION EXHIBIT 514

EXTRACT FROM THE MARCH 1938 "LUDWIGSHAFEN EDITION" OF FARBEN'S PUBLICATION "FROM PLANT TO PLANT," ENTITLED "LEUNA CELEBRATES THE DAY OF THE SEIZURE OF POWER," QUOTING A SPEECH MADE BY DEFENDANT BUETEFISCH TO THE WORKERS OF FARBEN'S LEUNA PLANT ON 31 JANUARY 1938*

FROM PLANT TO PLANT

Monthly Review of the Plant Community of I. G. Farbenindustrie Aktiengesellschaft

Table of Contents 1938

Ludwigshafen Edition

From the life of our plant community March 1938

Leuna celebrates the day of the seizure of power

GAUPROPAGANDALEITER [Gau Propaganda Chief] Maul speaks. As everywhere in the German fatherland, in our plant too, the fellow-laborers marched up for a plant meeting on 31 January in order to commemorate in unison the day on which, 5 years ago, our great Fuehrer grasped the helm of the State with a strong hand, thus pulling back the German people from the precipice in the last hour. The meeting took on special significance because Gaupropagandaleiter Maul intended to make an address to the office and plant staff.

Because of the inclement weather, the meeting this time had to take place indoors, so that only a part of the office and factory staff could witness the celebration in the south hall of the restaurant, while it was transmitted by loudspeaker to the rest. On entering the spacious hall of the restaurant, a surprisingly festive sight presented itself to the eyes of the fellow-workers. The whole background of the speaker's desk, which was framed by wonderful flowers, was draped with flags, and brightened by green garlands, and above the emblem of the DAF (German Labor Front) was the Fuehrer's picture, painted by fellow-laborer Keil. The celebration began when the banners were carried in. Betriebsobmann (DAF's liaison man) Party Comrade Faust opened the meeting and thanked Gaupropagandaleiter Maul very much for his presence. Acting for the absent staff leader, Director Dr. Buetefisch then began an address of which

* Testimony of the defendant Buetefisch concerning this speech and this article is reproduced hereinafter.

we give here the essential thoughts. He began by recalling the terrible time of unemployment during which our proud works, too, almost were brought to a standstill; until, finally, the Fuehrer appealed to all Germans to contribute their part to the uplifting of our people; until he restored to us the freedom to create, the freedom to work.

"I do not forget the day of the year 1933," Dr. Buetefisch went on, "when I could accept from the Reich Government in Berlin the order to proceed and, with all possible energy, expand the production of gasoline which, for reasons of political economy, could not be fully developed prior to the seizure of power. From that day on, we find ourselves in this invariably great experience of expanding our industry in a measure heretofore unknown." (Translator's note: There follows an illustration with the legend underneath: Director Dr. Buetefisch during his address.)

Citing several examples, Dr. Buetefisch demonstrated how each of the last five years represents an important stage in the development of our plant. The increase in manufacture kept in step with that of our employees. He recalled the time, which will be lastingly remembered by all, when new energies came to life in the plant; when machines, apparatus and workbenches, which had been idle for years, were put into operation again. Everybody has had his share in this reconstruction. It does not matter which place he holds in this big plant, only the fact that he carries out his duty at his place is important. It must fill us with pride to help support one of the pillars of our economic life. And yet this very pride should make us realize how insignificant the work of each individual, and even the work of all of us is, if we consider as a whole the reconstruction work which is forming our native country anew. We then also will come to understand that the accomplishment of each one individually, and with it the total accomplishment of the German people in these five years of restoration, cannot be measured by material values.

"The question as to the value of your work," concluded Dr. Buetefisch, "you yourself can answer best because, if you have performed the work in the spirit and according to the wishes of our Fuehrer, if, with every operation your hand performs, and with every thought, you are honestly convinced you do all of this merely in order to help build our German Fatherland, then this must fill you with pride and satisfaction. In this spirit and in this preparation for the high goal, we clasp each other's hands as fellow-laborers, and we promise that after these five years of development and regeneration we shall not be idle, but pledge ourselves to continue contributing all our strength in honest work for the benefit of our German Fatherland."

Warm applause thanked Dr. Buetefisch for his speech, which made all of us realize with how much pride we can look back upon the achievements made in our plant during the past five years.

Gaupropagandaleiter Maul then stepped up to the platform, enthusiastically cheered by his fellow-laborers.

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EXTRACT FROM THE TESTIMONY OF DEFENDANT BUETEFISCH*

[*Statement from the judgment concerning personal history, positions, and affiliations of defendant Heinrich Buetefisch:*

"*Buetefisch, Heinrich*: Born 24 February 1894, Hannover. Doctor of Engineering (Physical-Chemical). 1934–1938 deputy member of Vorstand; 1938–1945 full member of Vorstand; 1933–1938 member of Working Committee; 1932–1938 guest attending Technical Committee; 1938–1945 member of Technical Committee; 1938–1945 deputy chief of Sparte I (under Schneider); chief of the Leuna Works; chairman or member of control groups of many Farben concerns in the fields of chemicals, explosives, mining, synthetics, etc., in Germany, Poland, Austria, Czechoslovakia, Yugoslavia, Roumania, and Hungary.

"Member of Himmler Circle of Friends; member of Nazi Party and German Labor Front; Lieutenant Colonel of SS; member of NSKK and NSFK; member of National Socialist Bund of Technicians; collaborator of Krauch in the Four Year Plan; Production Commissioner for Oil, Ministry of Armaments; president of Technical Experts Committee, International Nitrogen Convention, etc."]

DIRECT EXAMINATION

* * * * * * *

DR. FLAECHSNER (counsel for defendant Buetefisch): Now that brings me to a count of the indictment, the so-called alliance with Hitler. Will you please tell this Tribunal, Witness, for what reasons you, in 1932, went to see Hitler, how this visit came about, and how this visit developed?

DEFENDANT BUETEFISCH: During the crisis I just referred to —I mean the economic depression in Germany—it was a matter of course that the general trend in the gasoline market aimed at getting the products cheaper and cheaper. The newspapers, of course, knew about the hydrogenation process we were engaged in, and they thought that we were the reason why the prices were not further decreased. The automobile industry, particularly, led a fight in favor of further reduction of prices. The newspapers took up these ideas and started a general attack on hydrogenation, and particularly in distorted newspaper articles it was expressed that it wasn't possible at all to produce liquid

* Complete testimony is recorded in the mimeographed transcript, 8, 9, 10, and 11 March 1948, pp. 8605–8696; and 8703–8940. Further extracts are reproduced below in subsections I 7 *e* and L 3 *c*.

fuels from coal. At the time, Bosch had, of course, read about these attacks. It didn't at all disturb him. He would have gone on anyway, but there were strong attacks against and even insults of his collaborators, and therefore he, at the time, as far as I remember, requested the IG Press Department in Berlin to see to it that the press was better informed, and I know that a number of newspapermen then came to the Leuna Works where it was my task to give them some simple technical lectures and to show that this miracle of liquefaction of coal had become a reality. All the same, a few newspapers continued their attacks. Now, in September or October—I don't know exactly when—Gattineau rang me up one day and told me that we should inform the National Socialist newspapers, and that Bosch had told him that we should go to see Hitler, to whom I was to explain in a few technical words that what we did was reasonable, and that it was without any purpose to attack our products and to give wrong information through the press. In this way, the visit, as such, was brought about. Bosch told Gattineau* to inform me about this.

Q. Now, did you have the order from Gattineau to give any promises to Hitler?

A. No. In no way.

Q. Were any agreements made between you, on the one hand, and with Hitler, on the other?

A. No.

Q. Were you a member of the Nazi Party at the time?

A. No.

Q. What was your position in the IG?

A. I was Prokurist and deputy director.

Q. Now please, in a few brief words, will you describe to the Tribunal this visit to Hitler?

A. I recall that one morning—as I told you, in September or October—Gattineau called for me by car. He had come from Berlin, and we went from Leuna to Munich. There, after we had gone to the hotel, we were called for by Hess and brought to Hitler. First, he wasn't there. I think he had some sort of a meeting or conference, but then he came and he told us: "Oh, yes, you came to inform me about the fuel question, didn't you?" And then he said first he wanted to express his opinion on that question. Well, he didn't really speak about the fuel question, but more about automobiles, and he told us that every German should have his own car, and the best thing would be to build highways and autobahns in order to make the German country-

* Defendant Gattineau also testified concerning the 1932 meeting with Hitler, mimeographed transcript pp. 12196-12200, 12287-12290, 12310-12312. This testimony is not reproduced herein.

side accessible to every German. What I do remember is that he spoke quite a bit and that he went on talking and elaborated extensively, and that he eventually said: "Well, I don't know anything about technical matters, but I know that we have benzol and petroleum and that we also produce gasoline. I have heard about that too. I've also heard that we produce acetylene. Now, will you please tell me a few things about how you produce gasoline from coal?" I gave him a short explanation on that and I must admit that the questions he posed seemed very reasonable to me, not especially regarding the technical field, but they showed that he was interested in the problem. I gave him particulars about the process and he asked what we thought of the profitableness of the process. I told him that a process is economical if, as I had learned from Bosch, "it does not burden the German market or German consumers more than is the case now." Whereupon he said: "Do you think that can be achieved?" I said I thought so. Thereupon the conference was practically finished, but not until I had told him again that the newspaper attacks continued. He told me that he hadn't read them himself but that he was in favor of stopping these attacks, and of not allowing things to be published which were absolutely unfounded and baseless. Well, we said goodby briefly and left. After I had returned, a few days later, I reported to Bosch about this conference, and I recall that Bosch told me: "Well, this man seems to be more reasonable than I had thought." I must admit quite frankly that I don't have an overwhelming impression of this conference, but whatever Hitler said on that occasion seemed reasonable to me. It's true that he talked quite a bit during the conference.

* * * * * * *

Q. May I ask you to comment on the speech that you made in 1938 to the workers and employees of the Leuna plant? Document NI–6530, Prosecution Exhibit 514[1] refers to that. Will you please explain briefly to the Tribunal what the reason was for this speech?

A. It was generally customary on certain legal holidays for the plant leader to make a speech to the workers. On the occasion cited here [the defendant] Dr. Schneider[2] was absent and asked me to address a few words to the workers and employees, and I did that. And what is stated here in the document I consider correct. I still consider correct what I said then. I

[1] This exhibit is reproduced earlier in this section.

[2] The defendant Schneider was plant leader [Betriebsfuehrer] of Farben's Leuna plant as well as chief of plant leaders [Hauptbetriebsfuehrer] of all Farben plants under the "Law for the Regulation of National Labor." (See sec. IX, below.)

mentioned that in the year 1933 the Reich Government had given me certain instructions or directives to expand our gasoline production. That was the effect of the contract according to which we had obligated ourselves to produce 350,000 tons of gasoline. I related that and reminded the workers of the days when we had much unemployment, when we had to dismiss many people from work. The tenor of this speech was to awaken the enthusiasm of the people for our work. I said that the development of the industry had taken large proportions; that is to say, we had greatly expanded our production. That is a fact that one could not overlook and I just told that to the workers. What I said there I do not consider a political speech. It is something that I can certainly stand up for.

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DR. ASCHENAUER (counsel for defendant Gattineau): First I have two questions about the Munich visit in the fall of 1932. Dr. Buetefisch, was support demanded in the tariff question from Hitler?

A. No.

Q. Was there a protective tariff at that time?

A. I believe I have already said a protective tariff had existed since 1931 to the amount of 16 pfennige which remained in force until the year 1937.

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CROSS-EXAMINATION

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MR. SPRECHER: Now I would like to go back to the Hitler-Buetefisch-Gattineau meeting in the fall of 1932 for a few minutes. Leuna was constructed during the First World War; is that correct?

DEFENDANT BUETEFISCH: Yes, that's correct.

Q. Now isn't it true that even during the First World War, the nitrogen production of Leuna was partly used as a fertilizer to increase German food supplies during the war, in addition to being used for the production of explosives?

A. Yes, that was the purpose.

PRESIDING JUDGE SHAKE: Mr. Prosecutor, the question is answered, but it is very remote. I hope we don't get our issues back to the First World War here.

MR. SPRECHER: Now, concerning the period between the First World War and the Second World War, wasn't Leuna often represented in Farben publications as performing an important part in the autarchy of Germany, or the so-called resurrection of Germany from an armament or military point of view?

DEFENDANT BUETEFISCH: Mr. Sprecher, it is quite possible that it was said, "Here is an enterprise which is producing German raw materials from German coal." That was widely discussed. Different articles appeared which said that from these German raw materials we were producing finished products. Similar articles were produced in different fields, and as I stated during my evidence, I said that the same thing happened in England. British gasoline was produced from British coal, etc.

Q. I was asking you about Germany, and Farben publications. Now concerning the meeting with Hitler, did you have the idea that that meeting might be helpful to Farben, or did Dr. Bosch have that idea?

A. It was Bosch's idea.

Q. Do you know who, in the Nazi Party, was approached so that that conference was arranged? Did you ever find out about that?

A. I didn't arrange that, but as I said here, I was told by Gattineau that Bosch had decided that we should go there, and not I, but Gattineau, arranged this discussion. I was in Leuna and Gattineau was in Berlin.

Q. Yes, Doctor, but to whom did Gattineau go, if you know, in order to arrange this meeting with Hitler?

A. Well, he turned to a certain gentleman in the Party whose name I do not remember at the moment. But he mentioned the name. I know he did. At any rate I had nothing to do with that man.

Q. Do you recall whether or not Professor Haushofer, the geopolitician, was the man?

A. Yes, Haushofer. That is the man, yes.

Q. Thank you. Now in 1932, is it not true that the Nazi Party had the largest representation of any single party in the Reichstag?

A. If you ask me for these political details, I really cannot give you an answer. I remember it was more or less so, but I really cannot commit myself because I do not have all these figures in my head.

Q. Had you considered yourself, with Bosch or Gattineau, before you went to see Hitler—had you considered then that it was possible or probable that Hitler would be coming to power within a year, or wasn't that discussed at all?

A. I did not have any preliminary discussions with Bosch. Bosch quite generally asked the Press Department to take a position with respect to the demonstrations and calumnies in those articles about the production of synthetic fuel. Gattineau told me, and I heard that not only National Socialists but a number

of other people said such things, too. Quite a number of parties were writing such articles. It was a political matter.

Q. I will come back to my question in a minute, but since you have raised something else, let me ask you this. Do you recall any single article in the Voelkischer Beobachter, the official Party publication of the Nazis, headed by Rosenberg—any single article which was against Leuna, or against the synthetic gas and fuel program?

A. I do not have this paper before me. I do not know whether there was any article in the Voelkischer Beobachter or in a provincial paper, or whether it was in a National Socialist paper, or in the Berliner Tageblatt, or whatever paper it was. At any rate, that need not necessarily have applied specifically to Leuna, but this may have been a matter ordered by the automobile industry or by import associations which discussed the mineral oil field in the following way: "Is the consumer to pay for everything?" But I really do not remember that specifically.

Q. Dr. Buetefisch, so as to make the issue very clear, we will agree that there was criticism in many German newspapers of the Leuna program, the synthetic fuel program. Now I am asking you whether you know, or whether you don't know, that there was any criticism in the Nazi papers?

A. Mr. Sprecher, at the time when I was at Leuna, in 1932, I read the so-called Merseburger Korrespondent. That was my favorite paper, but I was not in the habit of gathering newspaper articles. That was a matter for the Press Department of whose activities I had no knowledge.

Q. Well now, let me ask you this. Do you really remember then that you talked to Hitler about any attacks in the Nazi press against the synthetic program, or don't you really remember that?

A. Yes, certainly. That is what was generally stated by the Press Department. They said that there were certain attacks against us, and consequently we had lectures even at Leuna.

Q. Doctor, I am not talking about the lectures at Leuna. I am only talking about the meeting with Hitler just now. Now did you, in the meeting with Hitler, if you remember, really talk to Hitler about any attacks in the press, in the Nazi press, against synthetic gas production?

A. As far as I remember, I told him that there were attacks in the National Socialist Press, among other newspapers, which were opposed to synthetic production of gasoline, and I told him that we did not consider that that was right. I think that is what I said, approximately. That was my final sentence.

Q. You did not talk to him about any support which the Nazis

might give to the program, the synthetic fuel program, in the Reichstag or in the Reich Government?

A. No.

Q. Did you discuss Hitler's ideas on autarchy at the time?

A. You mean when I went to Hitler himself?

Q. Yes.

A. I personally only talked about that thing about which I knew something, and that was gasoline. He spoke of motorization. He said that everybody would have to have his own car; there would have to be superhighways. I only spoke about gasoline.

Q. How long did that conference last?

A. Well, as far as I can remember, he spoke at great length. Perhaps an hour, or an hour and a half. These are reminiscences dating back to 1932.

Q. Did Dr. Gattineau talk very long?

A. No, he didn't.

Q. Did you do most of the talking, as far as Farben was concerned?

A. I held a purely technical lecture. I said that is how it is done. That is how you gain gasoline from coal.

Q. Now, Dr. Buetefisch, I show you NI–14304, which will become Prosecution's Exhibit 1977.[1] This document contains excerpts from a series of books which are entitled, "Twenty-five Years at the Leuna Works." Now the part we are now interested in insofar as questioning you goes, is toward the end; from the second part of the series of books on Leuna, which speaks of the meeting with Hitler in 1932, * * *[2] where it is stated that "this memorable conference with Hitler remains indelibly imprinted in Dr. Buetefisch's memory. He reports on it," and thereafter there is a purported report which you gave on this matter.

Would you please just look through that until you come to the end of the quotation which purports to give this report.

* * * * * * *

Q. Have you finished reading the quoted report?

A. Yes, this is a very extensive report, and I looked at some of it. Quite generally let me remark that this is a paper written on the occasion of an anniversary. I did not write it, but it was some author who was entrusted with putting it into writing. As far as I remember, that was a National Socialist author who has tried, in a manner of speaking, to give us a description of

[1] Reproduced in part earlier in this subsection.

[2] Ellipsis indicates the deletion of a tedious discussion as to the exact location in the document of the statement quoted by counsel.

these events. You must not forget that this book was written at the end of 1940—1940 to 1941. It was written on the occasion of the twenty-fifth anniversary of Leuna.

I remember that this matter was to be compiled initially by the chemical men of the plant. They, however, had no time. Dr. Schneider then hired an author—I think he was called Mr. Greiling—

Q. Is that Walter Greiling?

A. I don't know what his first name was. Well, at any rate, this man had received the order to write, on the occasion of the twenty-fifth anniversary, a book. This anniversary book was to have been a surprise to the directors. I remember that this Mr. Greiling, who worked together with one of our chemical men who had a little literary talent, worked on these five volumes. He wanted to write it from the point of view of the slogan—"Science Breaks Monopolies." He wanted to praise Leuna, and one must consider the fact that it was a year in which Germany had won victories. He put it on rather thick, and he wrote it in the form we see it now.

He came to me and asked for a short interview. I said, "Well, if you can make it brief, you may come. What do you want anyway?" He said, "You were with Hitler once. I heard about it. You are a scientist." Then I said, "Yes, that may be so." And he said, "Oh, that is very interesting."

And as is usual with authors, he asked me to tell him about it. I thought since he was an author I had to be rather careful about what I said. I knew that he wanted to publish it in that year 1941 at the time we had our victories. I told him something quite impromptu. He made some notes and then he said, "I just thought of something. May I tell the story in the first person?" I said, "Well, do what you like, as far as I am concerned, but don't bother me much about the whole thing. And at any rate, it is supposed to be a surprise for us, isn't it?"

I remember I read this anniversary book that evening when we all sat together to celebrate our twenty-fifth anniversary. This book was put on the table as our special surprise. I remember, too, that everybody was very surprised and upset about what was written there. If you read the text, you see that the man wanted to praise me. He mentions some matters which are not in accordance with the straight facts, but they were merely put in to make the book more decorative from the literary point of view.

He said, for instance: "One nice, sunny summer morning we went by car to Munich * * * "and then he goes on describing the whole thing. He then describes things as he understood them. "Some people foresaw what was going to happen." And soon

he speaks about the gasoline synthesis. He then summarized what the Berliner Tageblatt wrote. The National Socialist Press, of course, was not mentioned by him. It says here that only the Berlin daily papers derided the hydrogenation, and then he describes the visit. He wrote down what I myself am supposed to have said, and then he says in one passage * * *. I must read it first. But this too is decorative and gives far too many details.

"This result of the Fuehrer's conference meant a strong support for Leuna. Now, hydrogenation could be continued without hesitation * * *. We drove back proudly, conscious of having been given a deep insight into historical developments," etc.

All these are matters written by a writer. He didn't ask me whether he was allowed to write this book in that manner. That was his own affair, after all. I didn't correct him and I didn't see it.

He said, "Buetefisch made the decision to go to the Fuehrer." I don't know what honor he wanted to bestow upon me with this twenty-fifth anniversary book, but it looks like he wanted to praise me unduly. I only had two or three brief conversations with him.

The book never actually appeared. We read it; we read many parts of the book, this was not the only one, and I remember that many directors said, "For goodness sakes, the man has really gone too far. A book like that cannot be published." The entire publication was immediately stopped. I think Schneider said that we couldn't publish it under any circumstances, and it never was published.

At any rate, you will find that many things which that man said as a free writer are obviously wrong, and I can't say any more. These are not my words and they are not my expressions. He is speaking about the maintenance of secrecy and all sorts of phrases which—

PRESIDING JUDGE SHAKE: I think you have sufficiently answered the question that was propounded. Let the prosecutor ask another one.

MR. SPRECHER: Now, Document NI–6530, Prosecution Exhibit 514*, contains a speech by you in which you said that in 1933 you accepted an order from the Reich Government to expand gasoline production with all possible energy. You testified about this exhibit yesterday. Now, that was not an awfully long time after this meeting with Hitler. But let me ask you this. From what Reich agency did you receive this order in 1933?

DEFENDANT BUETEFISCH: As far as I remember, I didn't say that it was not long after the conversation with Hitler, but I said

* Reproduced above in this subsection.

that it was the result of the gasoline contract which Farben concluded wih the Reich Minister of Economics and the Reich Ministry of Finance. It is stated in this contract that Leuna would have to expand up to 350,000 tons of gasoline. That was the request of the Reich. The request was quite obviously made because they wanted to save foreign exchange.

The order was very clear, "We ask you to produce 350,000 tons whereupon in return, we will give you a guaranteed contract." That's what the Reich Ministry of Economics said.

Q. That is what I wanted; the Reichswirtschaftsministerium, the Reich Ministry of Economics. Now, you testified that this contract was not profitable to Farben because Farben had to turn 91 million reichsmarks which it made as profits back to the Reich over a period of ten years. Now, Dr. Buetefisch, isn't it a fact that all of that money was profit over and above the guaranteed profit which you got under the original 1933 contract? Every bit of those 91 million reichsmarks–

A. Yes, that was above the guaranteed surplus, and it is quite correct, Mr. Sprecher, to point that out. I am glad that you drew my attention to it. From these 91 millions—I don't remember the exact figures—but I think 6 million were deducted which we had received from the Reich before, so that the difference was only 85 millions, I think. That is true. But the final accounting about what we had to pay to the Reich was 91 millions, minus the two years during which we had received that. That may be true.

* * * * * * *

Q. Now, is it not a fact that prior to this contract of December 1933, Farben losses in the hydrogenation investments exceeded 300 million reichsmarks?

A. Mr. Sprecher, the experimental expenses are contained in that sum, expenses for experiments in connection with a big problem, as I described it yesterday, involving 145 to 150 millions. These expenses are included and they were not booked on the credit side. That is how we arrive at those figures. Figures can be compiled in a similar way for any big problem or experiment. What did we spend for buna or vistra, for example? As to investments, these figures are always different, and the question is how to interpret the figures, a juggling with figures.

Q. Now, this loss amounted to approximately half of the nominal capital stock of Farben, is that correct? This loss up to 1933?

A. I have already said you can't count 300 millions. If you have a 300 million loss and if somebody else gives you 150 millions for patents and experiences, then the actual loss is only 150 millions. And then if you read the document properly you will find that with these 150 millions you have to compare a plant which

is producing 300,000 tons of gasoline. That is the value of the installation. These are expenditures but not losses. That is my opinion which I think I expressed when I tried to clarify this case.

Q. In other words, if a project like Leuna and synthetic fuel turns out successfully, then these expenditures are not losses? *

* * * * * * *

REDIRECT EXAMINATION

* * * * * * *

DR. FLAECHSNER (counsel for defendant Buetefisch): Dr. Buetefisch, you were questioned yesterday about the Leuna memorandum. I don't know whether you said that this so-called memorandum was prepared for printing or not—

DEFENDANT BUETEFISCH: Well, I believe I went into the subject perhaps too much yesterday. This is a draft which is not published. It was considered a draft and it is a rather free statement of Dr. Greiling. That is the way I recall it. There were a few copies which were prepared as a present for the directorate.

* * * * * * *

RECROSS-EXAMINATION

MR. SPRECHER: Dr. Buetefisch, the little booklet on "Twenty Five Years of the Leuna Plant" which you had in your hands yesterday—I am not talking about the exhibit which is a reproduction, but the original which you had in your own hands—was a bound booklet, was it not?

DEFENDANT BUETEFISCH: Yes, it had been bound in our printing shop at the plant and it was bound and printed there. It was nothing that was made public. We did that in the printing shop.

* At this point the sound track failed and the Court was recessed until the following day.

3. THE MEETING OF CERTAIN LEADING INDUSTRIALISTS WITH HITLER, GOERING, AND SCHACHT IN FEBRUARY 1933, AND THE RAISING OF FUNDS FOR THE ELECTION OF MARCH 1933

COPY OF DOCUMENT EC–439
PROSECUTION EXHIBIT 36

AFFIDAVIT OF THE DEFENDANT VON SCHNITZLER CONCERNING THE HITLER-GOERING-SCHACHT MEETING WITH INDUSTRIALISTS BEFORE THE ELECTION OF MARCH 1933[1]

AFFIDAVIT OF GEORG VON SCHNITZLER

I, Georg von Schnitzler, a member of the Vorstand of I.G. Farben, make the following deposition under oath:

At the end of February 1933, 4 members of the Vorstand of I.G. Farben including Dr. Bosch, the head of the Vorstand, and myself, were asked by the office of the president of the Reichstag [Goering] to attend a meeting in his house,[2] the purpose of which was not given. I do not remember the two other colleagues of mine who were also invited. I believe the invitation reached me during one of my business trips to Berlin. I went to the meeting which was attended by about 20 persons who, I believe, were mostly leading industrialists from the Ruhr.

Among those present I remember:

Dr. Schacht, who at that time was not yet head of the Reichsbank again, and not yet Minister of Economics.

Krupp von Bohlen, who, in the beginning of 1933, was president of the Reichsverband der Deutschen Industrie [Reich Association of German Industry], which later on was changed to the semiofficial organization "Reichsgruppe Industrie" [Reich Group Industry].

Dr. Albert Vogler, the leading man of the Vereinigte Stahlwerke.

Von Loewenfeld from an industrial work in Essen.

Dr. Stein, head of the Gewerkschaft Auguste-Victoria, a mine which belongs to the IG. Dr. Stein was an active member of the Deutsche Volkspartei.

I remember that Dr. Schacht acted as a kind of host.

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[1] This affidavit was introduced in the IMT case as Exhibit USA 618. Von Schnitzler was not called for cross-examination in the IMT case. In the Farben case, defendant von Schnitzler did did not elect to testify. Pursuant to a ruling of the Tribunal, affidavits of defendants who did not take the stand were admissible only against the defendant who had executed the affidavit. (See vol. XV, this series, section XVIII K 6.)

[2] The telegraphic invitation to Gustav Krupp to attend this meeting is reproduced immediately below.

While I had expected the appearance of Goering, Hitler entered the room, shook hands with everybody and took a seat at the top of the table. In a long speech he talked mainly about the danger of communism over which he pretended that he just had won a decisive victory. *

He then talked about the "Buendnis" (alliance) into which his party and the Deutsch-Nationale Volkspartei had entered. This latter party in the meantime had been reorganized by Herr von Papen. On the end he came to the point which seemed to me the purpose of the meeting. Hitler stressed the importance that the two aforementioned parties should gain the majority in the coming Reichstag election. Krupp von Bohlen thanked Hitler for his speech. After Hitler had left the room, Dr. Schacht proposed to the meeting the raising of an election fund of—as far as I remember—RM 3,000,000. The fund should be distributed between the two "allies" according to their relative strength at the time being. Dr. Stein suggested that the Deutsche Volkspartei should be included, which suggestion when I rightly remember was accepted. The amounts which the individual firms had to contribute were not discussed.

I did not take part in the discussion but reported the matter the next day or the overnext to Dr. Bosch in Frankfurt, who together with Geheimrat Schmitz had reserved exclusively for themselves the handling of distribution of money to political parties, the press, etc. and had made a special appoint [sic] of "Vertraulichkeit" (secrecy) in this respect.

Dr. Bosch did, as far as I remember, not make any remark to my report, but shrugged his shoulders.

I never heard again of the whole matter, but I believe that either the *buro* of Goering or Schacht or the Reichsverband der Deutschen Industrie had asked the office of Bosch or Schmitz for payment of IG's share in the election fund. As I did not take the matter up again I not even at that time knew whether and which amount had been paid by the IG. According to the volume of the IG I should estimate IG's share being something like 10 percent of the election fund, but as far as I know there is no evidence that I.G. Farben participated in the payments.

I understand the English language.

[Signed] G. VON SCHNITZLER

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* A contemporaneous report on this speech which was discovered in the files of Gustav Krupp is reproduced later in this subsection.

TRANSLATION OF DOCUMENT D-201
PROSECUTION EXHIBIT 1995

TELEGRAM OF 16 FEBRUARY 1933 FROM GOERING TO KRUPP INVITING KRUPP TO ELECTION FUND CONFERENCE WITH HITLER AND GOERING

TELEGRAM

DEUTSCHE REICHSPOST

AUF DEM HUEGEL 36/33 2150

TAGES—DREIRINGE BERLIN—

W8—20 16 A2

FRIEDR. KRUPP A.G. VERTR. BERLIN
W 8

BEHRENSTRASSE 3/4 16.2.1933

KRUPPBOHLEN INVITED RESPECTFULLY TO A CONFERENCE IN THE HOUSE OF THE PRESIDENT OF THE REICHSTAG, FRIDRICHEBERTSTR [sic] ON MONDAY FEBRUARY 20TH 6 O'CLOCK AFTERNOON, DURING WHICH THE REICH CHANCELLOR WILL EXPLAIN HIS POLICIES.

PRESIDENT OF THE REICHSTAG GOERING,
REICH MINISTER

TRANSLATION OF DOCUMENT D-203*
PROSECUTION EXHIBIT 37

REPORT OF SPEECHES BY HITLER AND GOERING TO GERMAN INDUSTRIALISTS ON 20 FEBRUARY 1933, FOUND IN GUSTAV KRUPP'S FILE "PRIVATE CORRESPONDENCE 1933/34"

With the year 1918 an entire system collapsed. That it had to come about was often predicted, also by economic leaders, especially by Geheimrat Kirdorf. The revolution which the year 1918 brought us was only conditional. In any case it did not bring about the revolution such as in Russia, but only a new school of thought which slowly initiated the dissolution of the existing order. Bismarck's statement: "Liberalism is the pacemaker of social democracy" is now scientifically established and proved for us. A given school of thought—thought direction—can unsuspectedly lead towards the dissolution of the foundation of the state. In our country also, a new direction of thought had

* Extracts from this document, which was also introduced in Case 10 (Krupp case) as Prosecution Exhibit 187, are reproduced in section VI B 2, vol. IX, this series.

gained ground which slowly led to internal disruption and became the pacemaker of Bolshevism.

Private enterprise cannot be maintained in the age of democracy; it is conceivable only if the people have a sound idea of authority and personality. Everything positive, good, and valuable, which has been achieved in the world in the field of economics and culture, is solely attributable to personality. When, however, the defense of the existing order, its political administration, is left to a majority it will irretrievably go under. All the worldly goods which we possess, we owe to the struggle of the chosen. Would we have had the present conditions in the Middle Ages, the foundations of our German Reich would never have been laid. The same mentality that was the basis for obtaining these values must be used to preserve these values. All values which make up the greatness of our culture originated from an entirely different mentality than that which seized control of these values since 1918. The revolution is the first result of a decade-old development of discord in our people. All over the world we witness this crisis of disunity. Only the reaction of the people varies, as for example, in Russia and Italy. In the other countries, Germany included, this crisis, in its last possibilities and consequences, is not yet being recognized. Our people have not yet sufficiently recognized that there are two souls struggling for it. Our entire life is based upon mutual agreements. The smallest example of this is the family and this holds true up to the state. It is an impossibility that part of the people recognize private ownership while another part denies it. Such a struggle splits the people. The struggle lasts until one side emerges victorious. When a man deserts his unit he can be punished. When, however, 15 to 20 percent disregard their oath of allegiance, the unit must fail as a military instrument. The same applies to a state; if 15 percent of the people deny the state as a permanent recognized social order, it is impossible to establish a system which will support the whole. Therefore, it is just as impossible to preserve a culture—its art, religion, and science—if a certain percentage of the nation refuses to abide by the thoughts which created such a culture. Justice also can only be established upon generally recognized theories. Therefore, it can also be Bolshevistic, if it has to protect the Bolshevist cause. Such a condition of discord leads slowly but surely to agony, to the death of an ideology. No two ideologies can continuously live alongside one another. In such struggles, the strength of a people completely spends itself internally and, therefore, cannot act externally. It does not rest. This condition of attrition lasts until one party emerges victorious or the state itself is dissolved, whereupon, a people loses its place in history. We live in such

times now, when the die must be cast, and when we must decide whether we want to adopt a form of life that supports the state or to have communism. The latter is also thinkable. It is often being said that communism is the lowest step of humanity. I believe the very opposite, that it is the origin of human development. It represents the most primitive form of human life. The deeper one delves into nature, the more alike become its achievements, they become, as in communism, more and more homogeneous. The Communist principle cannot be maintained. It is not by chance that one person accomplishes more than another. The principle of private ownership, which has slowly gone into the general conception of justice and has become a complicated process of economic life, is rooted in this fact. The course which we have to take is clearly indicated. It is, however, not enough to say: We do not want communism in (our) economy. If we continue on our old political course, then we shall perish. We have had ample experience in the past years to prove that economics and politics cannot be separated. The political conduct of the struggle is the primary decisive factor. Therefore, politically too, things must be clarified. Economics alone has not created the German Reich, and neither did politics make economics, but each one built steadily higher upon the other. The hand-in-hand efforts of politics and economics brought us to our greatness, whereas working at cross-purposes, as we experienced it after the revolution resulted in continuous decline. As I lay in the hospital in 1918, I experienced the revolution in Bavaria. From the beginning, I saw it as a crisis in the development of the German people, as a period of transition. Life is forever dividing humanity. It is therefore the noblest task of a leader to find ideals that are stronger than the factors that pull the people apart. Even while in the hospital I recognized that one had to search for new ideas conducive to reconstruction. I found them in nationalism, in the evaluation of personality, in the denial of reconciliation between nations, in the strength and power of the individual. On this basis I tried to bring about harmony between the two souls struggling with one another within the German people. The struggle which I undertook was so much harder because it was conducted during a time when the law for the protection of the weak and decadent held true, a law under which every nation is doomed to perish. Of course, nothing is accomplished by simply opposing such trains of thought, one has to offer new thoughts. If one rejects pacifism, one must present a new idea in its place immediately. Everything which is to be pushed aside must be replaced by something better.

For 40 years we are experiencing a continuous growth of social

democracy. Bismarck said shortly before he retired: "If this keeps up, Marx is bound to be victorious."

The creative and decomposing forces in a people always fight against one another. In this struggle one side always gains ever greater heights than the other, and therefore I have been following the development of social democracy with steadily growing concern, and said to myself, we must come to a decision. I have repeatedly taken the occasion to point out to responsible people what danger was threatening the German people. Time and again it was argued (among others, by von Seeckt, too) that, at the present, this would mean civil war. And when, a few years ago, the number of Socialist seats was decreased a little, I was told triumphantly: "Look here, the danger is already over." They always comforted themselves with the hope that the Socialist movement would slow down by itself. The danger, however, cannot be overcome by such means. Human beings are nothing less than equal, and if human beings are not led, they revert to the most primitive state. It was this perception that moved me to found a new Nationalist movement, which after 14 years of struggle has become a leading force in the German Reich. We must not forget that all the benefits of culture must be introduced more or less with an iron fist, just as once upon a time the farmers were forced to plant potatoes. For all this, however, courage, an iron will, and perseverance are essential.

We are today facing the following situation. The Weimar Government imposed upon us a certain constitutional order by which they put us on a democratic basis. By that we were, however, not provided with an able governmental authority. On the contrary, for the same reasons for which I criticized democracy before, it was inevitable that communism, in ever greater measure, penetrated the minds of the German people. The result was an ever-increasing tension, by which—and that is almost the worst—the courts too, did not remain uninfluenced. Two fronts have thus taken shape which put to us the choice: either Marxism in its purest form, or the other side. One cannot assume the point of view and say that the other side will gradually assert itself again. Such an attitude means defeat. When I wanted to act, I was advised to wait awhile. But I did not agree to such toleration. With the very same courage with which we set out to make amends for the evils of the last 14 years, we have withstood all attempts to deter us from the right way. We have turned down the benevolent offer of the Center Party (Zentrum) to tolerate us. Hugenberg's movement is too small. He has only considerably slowed down our development. We must first gain complete power if we want to crush the other side completely.

While still in the process of gaining power, one should not start the struggle against the opponent. Only when one knows that one has reached the pinnacle of power, that there is no further possible upward development, should one strike. In Prussia, we must still gain another 10 seats, and in the Reich proper, another 33. That is not impossible if we exert all our strength. Then, only, begins the second action against communism.

Now we stand before the last election. Regardless of the outcome, there will be no retreat [Rueckfall], even if the coming election does not bring about a decision. One way or another, if the election does not decide, the decision simply will have to be brought about by other means. I have recommended that the people once more be given the chance to decide their fate by themselves. This determination is a strong asset for whatever might possibly happen later. Does the election bring no result, well, Germany will not go to ruin. Today, as never before, everyone is under the obligation to pledge himself to success. The necessity to make sacrifices has never been greater than now. For the economy I have but one wish—that its progress towards a calm future run parallel with the inner reconstruction. The question of restoration of the Wehrmacht will not be decided at Geneva, but in Germany, when we have gained internal strength through internal peace. There will, however, be no internal peace until Marxism is eliminated [erledigt]. Here lies the decision which we must face, hard as the struggle might be. I stake my life in the struggle day after day, as do all those who joined me in this struggle. There are only two possibilities, either to crowd back the opponent on constitutional grounds, and for this purpose once more this election, or a struggle will be conducted with other weapons, which may demand greater sacrifices. I would like to see them avoided. I hope the German people thus recognize the greatness of the hour. It shall decide over the next 10 or probably 100 years. It will become a turning point in German history, to which I pledge myself with glowing energy.

GOERING—He also counted on it that with political pacification, domestic economy would also quiet down. No experiments would be made. However, to attain the goal, all forces would have to be mustered on 5 March. Above all it is important to penetrate those circles that are still imbued with Marxism and dream on, wasting their time in futile aggravation and bitterness. Most of the internal political obstacles have been removed, after unity with the other groups of similar ideology was achieved under one plan. This present unity should be strengthened. No matter how the election comes out, the distribution of forces

should remain the same. In the coming struggle, everyone must perform his duty at his post. The German nationals [National People's Party] (Deutschnationalen) will attack where successes can no longer be achieved by the National Socialists. On the other hand, the National Socialists are charged with a task which is without prospects for the others. Without any doubt, we must do the most work, for we must penetrate with our SA men into the darkest quarters of the cities, and operate there from mouth to mouth and fight for every single soul.

Goering considered to some extent the great dangers connected with this election battle. He then led over very cleverly to the necessity that other circles not taking part in this political battle should at least make the financial sacrifices so necessary at this time. These were so much more necessary because not even one penny of the taxpayers' money would be asked for. Government funds would not be used. The sacrifices asked for surely would be so much easier for industry to bear if it realized that the election of 5 March would surely be the last one for the next ten years, probably even for the next hundred years.

TRANSLATION OF DOCUMENT D-204*
PROSECUTION EXHIBIT 38

MEMORANDUM BY GUSTAV KRUPP CONCERNING HIS STATEMENT TO HITLER ON 20 FEBRUARY 1933, AFTER HITLER'S SPEECH TO GERMAN INDUSTRIALISTS

MEMORANDUM

On the 20th of this month I expressed to Reich Chancellor Hitler the gratitude of approximately 25 industrialists present [at the residence of the president of the Reichstag], for having given us such a clear picture of the conception of his ideas. I then emphasized that it would not be advisable to enter into a detailed discussion, but that I would like to underline three points with which all present would be in agreement—

1. That it is high time to clarify finally, the questions pertaining to domestic politics in Germany.

2. That we, just as he, consider that the object of every regulation is to benefit the interest of the German people as a whole, not that of individual professions or classes.

3. That it is also our opinion that only in a politically strong and independent state could economy and business develop and flourish.

22 February 1933

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* This document was also introduced in Case 10 (Krupp case) as Prosecution Exhibit 188 and is reproduced in section VI B 2, vol. IX, this series.

EXTRACT FROM DOCUMENT NI–406
PROSECUTION EXHIBIT 53

EXTRACT FROM AN INTERROGATION OF HJALMAR SCHACHT, 20 JULY 1945 CONCERNING THE HITLER-GOERING-SCHACHT MEETING WITH GERMAN INDUSTRIALISTS BEFORE THE REICHSTAG ELECTION OF MARCH 1933*

* * * * * * *

Q. [By Clifford Hynning]: Let us then direct our attention to February and March 1933. I have been told by Goering and by Funk and Baron von Schnitzler, and also by Thyssen, that there was a meeting held in the house of Goering of certain prominent German industrialists at which you were also present in 1933. This was after Hitler became Chancellor but before the elections of that spring. Hitler came into the meeting and made a short speech and left. Then, according to the testimony of Funk, you passed the hat. You asked the industrialists to support the Nazi Party financially to the tune of approximately 7, 8, 9, or 10 million marks. Do you recall that?

A. [By Hjalmar Schacht]: I recall that meeting very well. And I have answered the same question to Major Tilley. It must be in one of my former memorandums or in the hearings done by Major Tilley. As far as I remember, the meeting was not in Goering's house, but in some hotel room I think, or some other more public room. After Hitler had made his speech, the old Krupp von Bohlen answered Hitler and expressed the unanimous feeling of the industrialists to support Hitler. After that I spoke for the financial part only, not on political principles or intentions. And the amount which I collected was 3 million marks. The apportionment among the industrialists was made not by me but by themselves, and the payments afterwards were made to the bank of Delbrueck Schickler. The books will certainly show the amounts which were paid in, and which went to the Party. I had nothing to do with that account. I just played the role of cashier or financial treasurer at the meeting itself.

Q. Were there any representatives of any of the large banks or insurance enterprises at the meeting?

A. I would say that almost nobody had been left out. All the prominent industrialists and bankers must have been present.

* * * * * * *

Interrogation ended at 4:35.

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* Schacht was not called as a witness in the Farben case.

[Handwritten] I state that the answers given by me in this statement, consisting of 21 to 38 pages, initialed by me, are true and correct.

[Signed] DR. HJALMAR SCHACHT*

COPY OF DOCUMENT NI-9550
PROSECUTION EXHIBIT 55

AFFIDAVIT OF HJALMAR SCHACHT CONCERNING THE DISPOSITION OF FUNDS CONTRIBUTED BY GERMAN INDUSTRY BEFORE THE ELECTION OF MARCH 1933

I, Dr. Hjalmar Schacht, after having been warned that I will be liable to punishment for making false statements, state herewith under oath, of my own free will and without coercion, the following:

The amounts contributed by the participants in the meeting of 20 February 1933 at Goering's house were paid by them to the bankers, Delbrueck Schickler & Co., Berlin, to the credit of an account "Nationale Treuhand" (which may be translated as "National Trusteeship"). It was arranged that I was entitled to dispose of this account, which I administered as a trustee, and that in case of my death, or that in case the trusteeship should be terminated in any other way, Rudolf Hess should be entitled to dispose of the account.

I disposed of the amounts of this account by writing out checks to Mr. Hess. I do not know what Mr. Hess actually did with the money.

On 4 April 1933, I closed the account with Delbrueck Schickler & Co. and had the balance transferred to the "Account Ic" with the Reichsbank which read in my name. Later on I was ordered directly by Hitler, who was authorized by the assembly of 20 February 1933 to dispose of the amounts collected, or through Hess, his deputy, to pay the balance of about 600,000 marks to Ribbentrop.

I have carefully read this affidavit (one page) and have signed it. I have made the necessary corrections in my own handwriting and initialed each correction in the margin of the page. I declare herewith under oath that I have stated the full truth to the best of my knowledge and belief.

[Signed] DR. HJALMAR SCHACHT

12 August 1947

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* In a subsequent affidavit of 18 August 1947 (*NI-9764, Pros. Ex. 54*), Schacht declared the following with respect to the above interrogation: "I made all of the statements appearing in this interrogation to Clifford Hynning, a financial investigator of the American Forces, of my own free will and without coercion. I have reread this interrogation today and can state that all of the facts contained therein are true to my best knowledge and belief. I declare herewith under oath that I have stated the full truth to the best of my knowledge and belief."

PARTIAL TRANSLATION OF DOCUMENT NI-391
PROSECUTION EXHIBIT 56

LETTER FROM FARBEN AND RELATED ITEMS CONCERNING "NATIONAL TRUSTEESHIP" ACCOUNT

1. *Farben Letter of 27 February 1933 Advising of Transfer of 400,000 Reichsmarks to "National Trusteeship" Account in Delbrueck Schickler Bank*

I. G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

Bank Department

Firm: Delbrueck Schickler & Co.,
BERLIN W. 8
Mauerstrasse 63/65, Frankfurt (Main) 20
Our Ref.: (Mention in Reply) B./Goe. 27 February 1933

We are informing you herewith that we have authorized the Dresdner Bank in Frankfurt/M., to pay you tomorrow forenoon:

RM 400,000

which you will use in favor of the account

"NATIONALE TREUHAND" [National Trusteeship]

Respectfully,
I.G. Farbenindustrie Aktiengesellschaft
By Order:
[Signed] SELCK * [Signed] BANGERT

By special delivery

2. *Dresdner Bank Order Transferring 400,000 Reichsmarks from Farben's Account to the Delbrueck, Schickler Bank, 28 February 1933*

BANK TO BANK ORDER
Voucher for Receiving Bank

Transfer from Dresdner Bank Berlin W 56 — Urgent Local Advice Note

Statement 43.
Value ---------- RM 400,000

Reichsmark (written out): Four hundred thousand
Transfer received by:
Account No.: I.G. Farbenindustrie A.G. Frankfurt a/M.

* Selck, a member of Farben's Vorstand, died before the outbreak of the war.

To

Delbrueck, Shickler & Co., Berlin

Account No.

For:

By order of

219.81 Dresdner Bank in Frankfurt/M., Frankfurt/M

Account Number

Berlin W 56, 28 February 1933
Dresdner Bank.

[Illegible signature]

3. Entries in the Account "National Trusteeship" Found in the Files of the Delbrueck, Schickler Co. Bank

[Handwritten]

National Trusteeship

Reichsbank President Dr. Hjalmar Schacht, Berlin-Zehlendorf

Feb. 23	(Dedibk) [Deutsche Bank Diskonto-Gesellschaft] Verein fuer die bergbaulichen Interessen, Essen		Feb. 23	200,000.00
24	Transfer to account Rudolf Hess, at present in Berlin	100,000.00	24	
24	Karl Herrmann		25	150,000.00
	Automobile Exhibition, Berlin		25	100,000.00
25	Director A. Steinke		27	200,000.00
25	Demag A.G., Duisburg		27	50,000.00
27	Telefunken Gesellschaft fuer drahtlose Telegraphie, Berlin		28	35,000.00
	Osram G.m.b.H., Berlin		28	40,000.00
27	Bayerische Hypotheken- und Wechselbank, branch office Munich, Kauffingerstr. in favor of Verlag Franz Eher Nachf, Munich	100,000.00	28	
27	Transfer to account Rudolf Hess, Berlin	100,000.00	27	
28	I.G. Farbenindustrie A.G. Frankfurt/M		Mar. 1	400,000.00
28	Telegraph expenses for transfer to Munich	8.00	Feb. 28	
Mar. 1	Your Payment		Mar. 2	125,000.00
2	Telegr. transfer to Bayerische Hypotheken- und Wechselbank, Munich branch office, Bayerstr. for account Josef Jung	400,000.00	2	
	Telegr. transfer expenses	23.00	2	
	Account transfer Rudolf Hess	300,000.00		
2	Reimbursement from Director Karl Lange, Berlin		3	30,000.00
3	Reimbursement from Dir. Karl Lange, "Maschinen-industrie" Account		4	20,000.00
	Reimbursement from Verein fuer die bergbaulichen Interessen, Essen		4	100,000.00
	Reimbursement from Karl Herrmann, Berlin, Dessauerstr. 28/9		4	150,000.00
	Reimbursement from Allgemeine Elektricitaetsgesellschaft, Berlin		4	60,000.00

	7	Reimbursement from Generaldirektor Dr. F. Springorum, Dortmund		8	36,000.00
	8	Reichsbank transfer: Bayerische Hypotheken- und Wechselbank, branch office Kauffingerstr.	100,000.00	8	
			1,100,031.00		1,696,000.00
			1,100,031.00	Mar.	1,696,000.00
Mar.	8	Bayerische Hypotheken- und Wechselbank, Munich, branch office Bayerstr.	100,000.00	8	
		Transfer to account Rudolf Hess	250,000.00	7	
	10	Accumulatoren-Fabrik A.G. Berlin		11	25,000.00
	13	Verein f.d. bergbaulichen Interessen, Essen		14	300,000.00
	14	Reimbursement Rudolf Hess	200,000.00	14	
	29	Reimbursement Rudolf Hess	200,000.00	29	
Apr.	4	Commerz- und Privatbank Dep.Kasse N. Berlin W.9 Potsdamerstr. 1 f. Special Account S 29	99,000.00	Apr. 4	
	5	Interests according to list 1 percent		5	404.50
		Phone bills	1.00	5	
		Postage	2.50	5	
		Balance	72,370.00	5	
		Balance carried over	2,021,404.50		2,021,404.50
				Apr. 5	72,370.00

4. CONTEMPORANOUS DOCUMENTS, MARCH 1933–JULY 1944

TRANSLATION OF DOCUMENT NI–7387
PROSECUTION EXHIBIT 2005

LETTER FROM DEFENDANT HAEFLIGER, 22 MARCH 1933, CONCERNING THE TURN OF POLITICAL EVENTS IN GERMANY

22 March 1933

Amm. Del. Gr. Uff. Carlo Ferrario,

Milano (13)

Viale L. Maino 20.

Dear Mr. Ferrario,

Thank you very much for your friendly letter of 10 March.

As to my visit in Milano, I shall probably not be able to come there before the second half of April, and I assume that a postponement until then is still feasible.

I am exceedingly satisfied with the turn political events have taken here in Germany. I am also convinced that the new regime under Hitler will deepen the sympathies which have always existed between Germany and Italy. Fascism under Mussolini has accomplished admirable results in your beautiful country, and I have always envied Italy her Duce, silently hoping that there will come a time when Germany will likewise be presented with a personality like that. If now, under Hitler, Germany, by restoring order, even remotely approaches Italy's progress under Mussolini, then together we shall face happier times.

With kindest regards,

Yours,

[Stamp]: Signed: HAEFLIGER*

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* Testimony of Defendant Haefliger concerning this document is reproduced below in section VII C 5 *e*.

TRANSLATION OF DOCUMENT NI–6960
PROSECUTION EXHIBIT 82

ANNOUNCEMENT OF 25 APRIL 1933 BY FARBEN LEVERKUSEN PLANT, SIGNED BY DEFENDANT KUEHNE, CONCERNING MAY DAY 1933

ANNOUNCEMENT!

The Government requests that the First of May be celebrated as the holiday of industrial labor. Since it is essential that on this day all of Germany stand behind its government, we are asking all colleagues and associates to join the rally on this day of demonstration and thus prove our will to cooperate. To show the personnel of our plant as a uniform group, we request that you adhere to the published organizational chart of the N.S.B.O., [National Socialist Factory Cell Organization] which has been compiled in agreement with the other national agencies of the city of Wiesdorf.

The Management.
Signed: DR. KUEHNE

Leverkusen IG Works, 25 April 1933

Stamp:
Directorate of I.G. Farbenindustrie
Aktiengesellschaft
Leverkusen, near Cologne on the Rhine

PARTIAL TRANSLATION OF DOCUMENT NI–4884
PROSECUTION EXHIBIT 84

EXTRACT FROM MINUTES OF FARBEN'S SOCIAL WELFARE COMMITTEE ON 21 JUNE 1933 CONCERNING PREFERENTIAL HIRING OF MEMBERS OF PARAMILITARY ORGANIZATIONS

No. 119

Minutes of the meeting of the Social Welfare Committee held on 21 June 1933 at Ludwigshafen on the Rhine.

The following people were present: Keller as chairman, Bertrams, Kuhlmann, Curschmann, Weiss.

* * * * * * *

5. In several plants the workers' committee has advanced the demand to be allowed to have a deciding voice when *new employees are engaged.* It is established that this demand has no legal foundation and that it must, therefore, be turned down. On the other hand, there is no reason why workers' committees, as

has been done at other plants, should not submit lists with proposals concerning workmen and clerks about to be engaged. These would be taken into consideration wherever it was found practical. Following this, the new regulations concerning the employment of *members of paramilitary organizations* were discussed, and it was agreed that it should be a matter of course, when engaging new people, to give preference to members of paramilitary organizations, if they otherwise fill the requirements.

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT NI–4718 PROSECUTION EXHIBIT 138

LETTER FROM DEFENDANT KRAUCH TO MILCH, 14 SEPTEMBER 1933, TRANSMITTING A TREATISE ON GERMAN MOTOR FUEL ECONOMY AND PROPOSING "A FOUR YEAR PLAN" FOR THE EXPANSION OF PRODUCTION[1]

Stamp: *Registered Mail*

Stamp: File

[Handwritten] Miscellaneous Reich Air Ministry

To: State Secretary Milch, [2] Air Ministry
Berlin, Behrenstr.

14 September 1933

Dear Mr. State Secretary,

I take the liberty of sending you enclosed a treatise [handwritten marginal note: not with copy] on the German motor fuel economy, which we have compiled after an exhaustive study of the situation on the German motor fuel market. The text deals solely with the manufacturing aspects, taking into consideration also the capital investments and the possibilities of providing employment. We have not discussed in detail the problems of selling and distribution, because they have already been thoroughly dealt with elsewhere.

In order to arrive at a clear-cut production program, a four year plan [3] is laid down in the treatise as the basis for the expansion of production. It will, of course, be easily possible to

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[1] An exchange of letters between Milch and Defendant Krauch in July 1935, which was a part of this same exhibit, is reproduced later in this subsection.

[2] Milch was sole defendant in "The Milch case," vol. II, this series. He was charged with war crimes and crimes against humanity and convicted for his participation in Germany's slave-labor program. Extracts from Milch's testimony as a defense witness in the Farben case are reproduced in sections V B 1 above and VII C 6 *a* below.

[3] This was the first reference in the contemporaneous documents to a "Four Year Plan" so far as has been discovered. The memorandum referred to was not a part of the document introduced in evidence. The Four Year Plan, initiated in 1936, is the principal subject of subsection G, below, "The Four Year Plan."

accelerate the speed of this expansion so as to reach the production target in a shorter time. For the scheduled period, an increase in production with domestic raw materials up to about 1.8 million tons is planned, taking into account that about 500,000 tons are at present being produced in existing works. On page 13 of our treatise we have divided the additional production of about 1.3 million tons according to the various manufacturing processes. We have tried to include all possibilities for an extension of production. There is no need to adhere rigidly to this division. It is, for example, quite possible to replace the contemplated increase in the production of crude oil, and production from slow combustion bituminous tar, more or less through the direct hydrogenation of lignite and pit coal. This would give us the advantage of enabling us to start from an assured raw material basis and of being independent of byproducts. On the other hand, it also makes it possible to direct the manufacturing processes so as to satisfy the variable demands of the motor fuel market for gasoline, gas oils, and lubricating oils.

On page 16, and in annex 14, we have discussed the necessary capital investments for the planned expansion and the effects on the procurement of employment. It was mentioned in the conference held on the 13th of this month that an increase of the German production by 2 million tons would necessitate a capital investment of about 600 million marks. In our calculation we set down 400 million marks for 1.3 million tons. For the 700,000 tons not yet accounted for, about 200 million marks would have to be invested in factories to produce hydrogen from coke-oven gas with the available power sources, which figures agree with our estimate. Of course, these figures can be considered only as an approximate basis, because investments will always depend on local conditions. The figures given for workers employed refer to those that will be engaged in the production of gasoline from basic materials, while a not inconsiderable number would work in the machine and steel industry. Not included are those workers who, through the production process, would indirectly be brought back again into employment; according to careful estimates, this number amounts to at least 75 percent of those directly employed.

As far as hydrogenation is concerned, we have worked for quite some time on the production of suitable aviation gasoline. We can now state that, according to technical conditions, it would easily be possible to produce aviation gasoline as well as lubricants suitable for airplanes, through domestic production. At this time, the Lufthansa is making exhaustive tests with our gasoline.

I hope I have given you in this treatise basic data for an expan-

sion of the German motor fuel economy. If there are any points arising out of this matter which require additional elucidation, I shall be glad to furnish you with further verbal information.

Yours very respectfully

[Signed] C. KRAUCH

PARTIAL TRANSLATION OF DOCUMENT NI-7123 PROSECUTION EXHIBIT 90

EXTRACT FROM A MEMORANDUM OF A CONFERENCE AT THE REICH AIR MINISTRY, 15 SEPTEMBER 1933, CONCERNING MILCH'S PROPOSALS WITH RESPECT TO DEFENDANT KRAUCH'S MEMORANDUM

Copy TOP SECRET

Discussion in the Reich Air Ministry on 15 September 1933

Present:	Maj. Gen. v. Bockelberg Lt. Col. Thomas Lt. Col. Stud	Wa A [Army Ordnance Office]
	State Sec. Milch Colonel Wever Lt. Col. Wimmer Major (ret.) Wegner Captain Jeschoneck	L.M. [Air Ministry]

* * * * * * *

3. *Securing of Fuel Oil.*

State Secretary Milch handed to Maj. Gen. v. Bockelberg a memorandum of the IG (Dr. Krauch) concerning the expansion of the *domestic raw materials* basis* and suggested a *joint* energetic *approach* to the competent agencies in this matter. It would be necessary to appoint a commissar for carrying out the necessary steps. *Maj. Gen. v. Bockelberg* promised examination of the memorandum and joint action (Wa Wi).

* * * * * * *

Signed: v. BOCKELBERG.

* See the letter of defendant Krauch, 14 September 1933, Document NI-4718, Prosecution Exhibit 138, reproduced immediately above.

PARTIAL TRANSLATION OF DOCUMENT NI–7245
PROSECUTION EXHIBIT 2065

EXTRACTS FROM THE MINUTES OF THE MEETING OF PLANT LEADERS OF FARBEN'S LEVERKUSEN PLANT, 12 JULY 1935, CONCERNING RELATIONS WITH THE GERMAN LABOR FRONT

Record of the meeting of the Betriebsfuehrer on 12 July 1935

Present under the chairmanship of Kuehne: Bayer, Stange, Wenk, Einsler, Albers, and approximately 125 Betriebsfuehrer.

* * * * * * *

Kuehne recommends participation in the training course planned by Joerss and also repeats his advice to join the German Labor Front. With regard to the criticism expressed on fees to be paid to the German Labor Front, it should be considered how great, comparatively speaking, are the sacrifices the worker is always prepared to make in order to have his class represented.

Kuehne reports that Bencker, Christ, Starck, and Schwaebel had been appointed department heads since the last meeting.

Furthermore Kuehne reports in detail on the organization of the Economic Group "Industry" into which all employer organizations will have to be absorbed. With reference to the allegation that the collaboration of the management of Leverkusen plant with the "Strength through Joy" organization leaves a lot to be desired, Kuehne reads a passage from the correspondence with Gauleiter Hossfeld of the "Strength through Joy" organization in which he expressly acknowledged that the work of the Leverkusen plant in the field of popular education is exemplary and leads the way.

* * * * * * *

End of the meeting: 16:30 hours.

The Chairman: The Secretary:

Signed: DR. KUEHNE Signed: HEUSER.

PARTIAL TRANSLATION OF DOCUMENT NI–4718
PROSECUTION EXHIBIT 138

LETTER FROM MILCH TO DEFENDANT KRAUCH, 23 JULY 1935, CONCERNING A VISIT TO FARBEN'S OPPAU PLANT, A PROPOSED MEETING WITH GOERING, AND RELATED MATTERS, AND REPLY OF DEFENDANT KRAUCH, 29 JULY 1935*

1. *Letter from Milch to Krauch*

The State Secretary for Aviation

Berlin, W 8
Behrenstr. 68/70

23 July 1935

To: Director Dr. C. Krauch
I.G. Farbenindustrie
Ludwigshafen/Rhine

Dear Dr. Krauch,

To begin with, I would like to thank you specially for the friendly reception you gave us in Oppau. All participants were deeply impressed by the informative talks and demonstrations given them there. I myself have immediately informed General Goering, who is also particularly interested in questions of this nature. As soon as he has finished his summer vacation he plans to ask you to come for a leisurely visit to Karinhall, in Schorfheide, in order that he too can discuss with you the important viewpoints. In his capacity of Reich Game Warden he is specially interested in the lumber problem.

Enclosed I am sending you documents about a French non-inflammable fuel [nicht-brennbarer Betriebsstoff], about which I had already heard many years ago. The experiments, however, apparently were a failure in France; some claim for technical reasons, while others assert it was due to consideration for the mineral oil companies. It is impossible to determine which version is true.

The inventor Makhonine wants to approach Germany by way of the Adjutant to Minister Goering. Before we do anything in this matter, I would like to transmit the material to you, and leave any further action to your judgment, as that appears to me the best way on account of your expert knowledge.

I repeat again my two requests which I expressed at our visit:

1. Assignment of a liaison officer to our C-Office [C-Amt].

2. Supplying educational and training material for the Luftwaffe, with respect to the various projects of IG—of course, only

* An earlier letter from Krauch to Milch, dated 14 September 1933, transmitting proposals for expansion of motor fuel production and related matters, was introduced as a part of this same exhibit and has been reproduced earlier in this subsection.

to the extent that it is suitable for training officers and enlisted personnel.

In case you find an opportunity, please extend also my greetings to the other gentlemen.

I remain, with many kind regards, and Heil Hitler,

Ever yours,

[Signed:] E. MILCH

2. *Letter from Krauch to Milch, 29 July 1935*

[Stamp] File
[Handwritten:] Miscellaneous
"R.L.M." [Reich Air Ministry]
29 July 1935

To: State Secretary E. Milch
Berlin W 8, Behrenstr. 68–70.

Dear Mr. State Secretary,

Please accept my thanks for your kind letter of the 23rd of this month. I received it somewhat belatedly, since I was away from home for a few days during my vacation, and therefore it was not possible for me to reply to you before today.

I am very glad that you and the gentlemen of your entourage are pleased with what we were able to show you in Oppau and Ludwigshafen. It is only a pity that the time at your disposal was so short. I was very happy that you gave us this opportunity to discuss all questions pertaining to German aviation. I believe that this is the best method to further our work and to guide it correctly. Apart from this, I think that we may derive various benefits from the personal acquaintance made between the gentlemen of your entourage and our men who work in these particular fields here.

I noticed with interest from your letter that you have had the opportunity of discussing the questions dealt with in Oppau with General Goering as well, and that he intends to invite me for a personal conference in the near future. For the appreciation of our work, of which this is indicative, I would like to thank you most sincerely already today. I look forward to your further communication as to when the proposed visit is to take place.

I subjected the data concerning the invention of Mr. Makhonine, which you sent me, to a preliminary examination. The claims of the inventor sound fantastic, and for the moment I have strong doubts as to their accuracy, particularly because the fashion in which this invention is being advertised in France vividly reminds me of some cases of inventions offered us from France, which upon closer examination proved to be frauds. In fact, the protracted efforts of Mr. Makhonine to induce the various authorities

to accept his inventions have actually been described in France as the "Makhonine Scandal." I am, however, going to have the data studied more closely, and am also having investigations made as to how far the inventor has become known in scientific literature; I then shall take the liberty of submitting to you a proposal for further action in this matter.

For the present, we can put at your disposal, as educational and training material for the Luftwaffe, the charts listed in the enclosed list.[1] Although these charts are mainly meant for automobile engines, what is shown on them essentially applies also to aircraft engines. Will you kindly let us know how many copies of these charts you require, and to which offices we are to send them?

I tentatively suggest the appointment of our Dr. Ritter[2] as liaison officer to your C-office.

I remain, with many kind regards, and Heil Hitler,

Respectfully yours,
Signed: C. KRAUCH

TRANSLATION OF DOCUMENT NI–5932
PROSECUTION EXHIBIT 406

LETTER FROM DEFENDANT KRAUCH TO MILCH, 20 DECEMBER 1935 CONCERNING A RECENT VISIT OF BOSCH, CHAIRMAN OF FARBEN'S SUPERVISORY BOARD, AND KRAUCH TO THE MINISTRY OF AVIATION

Staatssekretaer E. Milch

Berlin W 8, Behrenstr. 68/70

[Stamp] File
[Handwritten] R.L.M.
(Reich Air Ministry)
20 December 1935

Very respected Mr. State Secretary,

Upon my return to Ludwigshafen I have an urgent desire to thank you again for the extremely friendly reception and hospitality on the part of the gentlemen of the Air Ministry, which we were privileged to experience in connection with our inspection trip of 16 and 17 December.

On the 18th, Geheimrat Bosch made a report to the Central Committee of IG concerning his impressions on this trip. In this connection Geheimrat Bosch emphasized how strongly he was im-

[1] The list referred to (not reproduced herein) enumerates charts concerning gasoline production, an antifreeze substance, carburetor breakdowns and a drivers manual.

[2] Dr. Gerhard Ritter later became the representative of Farben's Sparte I (of which the defendant Krauch was chief) in Farben's Liaison Office Wehrmacht (Vermittlungsstelle W), and still later, he became a leading official in the Krauch Office. See section VII G, below, "the Krauch Office. The Karinhall or Krauch Plan and its Later Modifications."

pressed by the many new things which we were previleged to see on our visit, above all the excellent spirit which animates the Air Ministry. Needless to say, Geheimrat Bosch thus also expressed my heartfelt sentiments and I should like to assure you that this visit has made the relationships between the IG and the Air Ministry still more intimate and sincere.

After the holidays I shall look up Colonel Wimmer in order to develop the cooperation still further and to speed it up as much as possible.

Permit me to send you my best wishes for Christmas and the New Year. I remain with many friendly greetings and Heil Hitler

Your devoted servant
[Signed] C. KRAUCH

TRANSLATION OF DOCUMENT KUGLER 25
KUGLER DEFENSE EXHIBIT 27

LETTER FROM A SUDETEN GERMAN TO THE GAU LEADERSHIP OF THE NAZI PARTY IN FRANKFORT, JANUARY 1937, COMPLAINING ABOUT THE NEGATIVE VIEWS OF OFFICIALS OF FARBEN'S AGENCY (TEFA) IN THE SUDETENLAND, THEIR REFUSAL TO EMPLOY HIM, AND RELATED MATTERS

To the Gauleitung Frankfurt of the NDSAP
Attention of the Gauleiter

Frankfurt a.M.

[Handwritten]
Return to the *management*

5231/37

[Handwritten]
Party member Stoehr
Discuss with Gauleiter and find out whether any recommendation can be given.

[Signature] illegible

Dear Fellow Party Member:

As an unknown frontier fighter of the movement, and supported by the enclosed endorsements, I take the liberty of addressing to you a request which I am introducing with the following statements:

I am a graduate chemist (passed the Matura in 1913 at the higher state industrial school in old Austria, which approximately corresponds to having passed the state examination in the Reich School of technology). I was compelled by postwar conditions

to give up the profession I had studied and I became the business manager of a printing plant, which position I kept for 16 years.

During the war I started out as a private in a Hungarian infantry regiment (I know Hungarian), and was awarded several decorations. I left the service as a lieutenant in charge of a company.

Since 1926 I have been a registered member of the Nazi Party, whose ideology I advocate also outside my private life. As a result, I lost the above-mentioned position in March 1936, mainly due to political intrigues. Moreover, I served four years as local group leader (Ortsgruppenfuehrer) until the Party was dissolved in Czechoslovakia.

I am now faced with the problem, being 42 years old and the head of a family, to seek a new livelihood. I am not one of those who simply emigrate to Germany and, boasting of their more or less long Party membership demand a job—because I am of the opinion that we Sudeten Nazis *still have to accomplish a mission at home,* which at present too must be continuously fulfilled.

This is difficult and impossible for me to do without a job. Being 42 years old, it would be completely hopeless, considering present economic conditions in this country, to leave it up to chance when looking for a position in which I could utilize my experience and qualifications.

However, I do see a chance for making a living again due to the following situation:

Here in my *home city of Reichenberg* there is the main branch office of "TEFA A.G." This is a trading organization for the sale in Czechoslovakia of products made by I.G. Farbenindustrie A.G. Frankfurt. The directors (the Vorstand of the corporation) are mostly German citizens.

Nonetheless, the leading executives manifest completely negative views concerning the conceptions of the New Reich, and the higher officials show everything else but a Nazi attitude, in brief, conditions are such that an agency concerned felt the need of reporting this matter to a higher Party office in Germany. The apparent, though amazing result of this report was the fact that a higher official, who was mentioned by name in the report, was transferred with a substantial increase in salary to the Prague branch office of "TEFA A.G."

Being known as a "Nazi" in the political circles of Reichenberg, a city of 35,000 inhabitants, my employment application, therefore, had even less prospects of success.

With the aid of our former Sudeten Party Leader, engineer Rudolf Jung, now a lecturer at the University for Politics in Berlin, who knows me personally, I turned to the Foreign Organi-

zation of the German Labor Front in order to get an opportunity, through its intervention with the central office of I.G. Farbenindustrie A.G. Frankfurt (foreign personnel department), to submit here an employment application.

My former studies, and the experience I acquired during 16 years of commercial work, as well as my comprehensive general education, will surely enable me to do full justice to a position—for instance as a traveling agent.

In addition, I was prompted by the conviction that German Party authorities would surely be interested to have a confirmed old fighter for the movement placed in a German foreign trading organization, which, so to speak, like a liberalistic oasis, stands aloof from the concept of the new Reich, but which, nevertheless, manages to draw benefits from the new German might.

My requests to the German Labor Front, and specially the intercession of Party member, engineer Jung, were successful to the extent that the Foreign Organization, as personally represented by Party member Wiebecke, Berlin, took an interest in my affairs. The local German Consulate requested a report about myself. However, having heard nothing further for two months, I must assume that this matter got lost in the files.

As an unknown fellow Party member I write to you—again through the good offices of our old Party leader engineer Jung—in order to ask you to use your influence with the Farben office concerned for an old Nazi borderland fighter and family supporter, so that my employment application, which I take the liberty of enclosing with this letter, shall be returned by the Frankfurt Central Office to the "TEFA A.G." here with the endorsement necessary *to guarantee me a position.*

Party member, engineer Jung, the local consulate, as well as the Gau administration of the German Labor Front of the local Consulate-Gau, would notify me immediately if any additional details about myself were required, or if the intervention requested by me had turned out to be successful.

I want to express to you in advance my sincere thanks for your efforts.

Heil Hitler!

[Signed] GUSTAV KOTSCHWAR

Reichenberg, Deutschboehmen [Sudetenland], 10 January 1937

Address:

Gustav Kotschwar, in separate envelope to:

German Labor Front Administrative Headquarters, Zittau, Saxony (H. Behrens for A. Schilasky) or German Consulate, Reichenberg, Czechoslovakia, Zittau, Saxony, Post Office Box 10

German Consulate, Reichenberg 8 January 1937

The Consulate knows the foregoing statements to be true. The request of Gustav Kotschwar is most cordially endorsed.

[Stamp] German Consulate in Reichenberg

[Signed] GIERAU, Consul

[Stamp] Reichenberg, 7 January 1937

[Handwritten]:

According to the advice of the Foreign Organization of the German Labor Front it would also be desirable to place Kotschwar with "TEFA," a company employing only Germans, most of whom do not embrace the national spirit. Although Kotschwar is a Sudeten German, he is truly a fighter of long standing and he has already helped the movement a great deal. He would be a great asset if employed by "TEFA."

[Signed] SCHILASKY
Local Group Administrator of the Consular District

PARTIAL TRANSLATION OF DOCUMENT NI-13568 PROSECUTION EXHIBIT 1950

CORRESPONDENCE CONCERNING DEFENDANT GAJEWSKI'S ATTENDANCE AT THE NAZI PARTY CONFERENCES IN NUERNBERG IN 1936 AND 1937

DYNAMIT—ACTIEN—GESELLSCHAFT

vormals ALFRED NOBEL & Co.

[Initial] G [GAJEWSKI]
[Stamp]
Secretariat Dr. Gajewski
Rec'd 21 August 1937

To Director Dr. Gajewski
I.G. Farben-Industrie-Filmfabrik
Wolfen/District Bitterfeld

Nuernberg 2, 20 August 1937
Postal Box No. 286

Our reference
Dr. Bz/B, Management
Subject: National Party Congress [Reichsparteitag] 1937
Dear Doctor!

With reference to the telephone conversation between you and the undersigned, Dr. Buchholz, we beg to inform you that, with

the help of the Reichsorganisationsleitung we were able to reserve a room with 2 beds at Director Voss' for you.

* * * * * * *

Heil Hitler!

Dynamit—Actien—Gessellschaft
vormals Alfred Nobel & Co.
[Signed] BUCHHOLZ

[Handwritten]
See letter Dr. Ga. to Director Voss of 25 August 1937

---

6 September 1937

To Director Franz Voss,
Nuernberg, Virchowstr. 10

Your letter of 31 August 1937

Dear Mr. Voss,

Thank you very much for your kind letter. We will arrive Saturday afternoon between 6 and 7 o'clock at your home. I will receive an SS-escort at the precincts of Nuernberg.

With kind regards to your wife also,

Yours truly,
Signed: GAJEWSKI

D1. Dr. Ga/Hi

---

15 September 1937

To Director Voss,
Nuernberg, Virchowstrasse 10.

* * * * * * *

It really was very pleasant for us to be able to stay at your place, especially when I remember the type of billet which I had last year.

* * * * * * *

Very truly yours,
Signed: GAJEWSKI

Dr. Ga/Hi

PARTIAL TRANSLATION OF DOCUMENT NI–4959
PROSECUTION EXHIBIT 363

EXTRACT FROM THE MINUTES OF THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 10 SEPTEMBER 1937, CONCERNING THE STAFFING OF THEIR AGENCIES ABROAD AND COLLABORATION WITH THE FOREIGN ORGANIZATION OF THE NAZI PARTY*

[The following defendants are shown by the minutes to have been present: von Schnitzler, Haefliger, Ilgner, Mann, and Oster]

* * * * * * *

10. *Staffing of our agencies abroad and collaboration with the A.O.* [*Foreign Organization of the Nazi Party*]

It is generally agreed that under no circumstances should anybody be assigned to our agencies abroad who is not a member of the German Labor Front and whose positive attitude to the new era has not been established beyond any doubt.

Gentlemen who are sent abroad should be made to realize that it is their special duty to represent National Socialist Germany. They are particularly reminded that as soon as they arrive they are to contact the local or regional group [of the Foreign Organization of the Nazi Party] respectively, and are expected to attend regularly their meetings as well as at those of the Labor Front. The Sales Combines are also requested to see to it that their agents are adequately supplied with National Socialist literature.

Collaboration with the A.O. must become more organized. It seems expedient *to work out a uniform plant jointly with the A.O.*, which will show within which period of time it will be possible to eliminate deficiencies still existing with our agencies abroad, which have been a subject for complaint.

* * * * * * *

Berlin N.W. 7, 15 September 1937

Signed: v. SCHNITZLER
Signed: FRANK-FAHLE.

F.F. Ed. 2/37

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* These minutes were described as "window dressing" in the testimony of Frank-Fahle, secretary of Farben's Commercial Committee (reproduced in section V C 1 above), and in subsection D 4 below.

TRANSLATION OF DOCUMENT NI-682
PROSECUTION EXHIBIT 484

CORRESPONDENCE ADDRESSED TO DEFENDANT SCHMITZ CONCERNING THE PURCHASE BY FARBEN OF 10,000 COPIES OF A BOOK ON GOERING TO BE PRESENTED TO FARBEN STAFF MEMBERS AND GOERING'S LETTER OF APPRECIATION

1. Unsigned Letter from Defendant Schneider to Defendant Schmitz, 26 March 1938, Suggesting that 10,000 Copies of a Book on Goering be Presented to Farben Staff Members

Leuna Works, 26 March 1938

Dr. Christian Schneider

Vorstand Member of I.G. Farbenindustrie A.G.

To Geheimrat Dr. H. Schmitz

Berlin NW 7, Unter den Linden 82

Dear Geheimrat,

After I consulted Dr. Krauch, I am informing you that I intend to present the book entitled "Goering, Work and Man" [Goering, Werk und Mensch] by Ministerialdirektor Gritzbach, to some of the staff members on the occasion of the anniversary* of Generalfeldmarschall Goering.

For this I have selected all those staff members who at present hold an honorary office in the service of our works combine. Among these belong the members of the Vertrauensraete and their deputies, the men of the Werkschar, the local NSDAP officials [Amtswalter] in the various departments and plants, and those persons with special missions such as air raid wardens, accident prevention wardens, managers of vocational guidance and "Strength Through Joy" units.

Altogether approximately 10,000 persons out of the whole I.G. Farben are concerned.

I am very grateful for your opinion concerning this suggestion.

With best regards,

Yours faithfully,

---

* Anniversary of his appointment as Minister President of Prussia.

2. File Memorandum from Defendant Ilgner to Defendant Schmitz, 31 March 1938, on the Desirability of Buying and Presenting 10,000 Copies of a Book on Goering to Farben Staff Members

FILE MEMO

for Geheimrat Dr. Schmitz

Re: Presentation of book "Goering, Work and Man" [Goering, Werk und Mensch] as gift to staff members.	Our Reference Dept. Ke/Ksch	*Berlin NW 7* Unter den Linden 82 31 March 1938

Dr. Schneider has proposed in the enclosed letter dated 26 March 1938, that the IG should buy 10,000 copies of the book entitled "Goering, Work and Man," written by Ministerialdirektor Gritzbach, and present it to all staff members who hold an honorary office in the service of the works combine, on the occasion of Feldmarschall Goering's anniversary. Dr. Schneider has talked to me and Direktor Krauch about this proposal. We consider the execution of this plan as extraordinarily desirable, as he also does.

[Signed] ILGNER

[Handwritten]

P.S.—I would be grateful if the enclosed letter could be signed and forwarded immediately, because the anniversary is already on 8 April.

Enclosure

[Handwritten]
3 April 1938
illegible initial

3. Letter from Goering to Defendant Schmitz, 23 April 1938, Expressing Appreciation for Farben's Distribution of the Book on Goering to Farben Staff Employees

COPY

Ministerpraesident Generalfeldmarschall Goering

Berlin, 23 April 1938

Dear Herr Schmitz,

I was very glad about your letter, which you sent to me also on behalf of the I.G. Farbenindustrie A.G., on the occasion of the 5th anniversary of my appointment as Prussian Minister Presi-

dent, and especially that you used this occasion to make the "Gritzbach" book accessible to your staff in such a generous way. Therefore, I should not like to miss thanking you heartily and I hope to please you yourself by presenting this book to you.

Heil Hitler!

Yours

Signed: GOERING

To Director Schmitz, I.G. Farbenindustrie A.G.
Berlin NW 7, Unter den Linden 82

PARTIAL TRANSLATION OF DOCUMENT NI-1184
PROSECUTION EXHIBIT 11

LETTER FROM FARBEN'S BERLIN NORTHWEST 7 ORGANIZATION TO DEFENDANT VON SCHNITZLER, 8 AUGUST 1938, ENCLOSING AN ARTICLE ON THE FARBEN CONCERN WHICH APPEARED IN THE OFFICIAL NEWSPAPER OF THE NAZI PARTY

Mario Passarge

Berlin NW 7, 8 August 1938
Unter den Linden 82

To: Director Dr. von Schnitzler
I. G. Farbenindustrie Aktiengesellschaft
Frankfurt (Main) 20, Grueneburgplatz

Initial: vs (von Schnitzler)

Dear Dr. von Schnitzler,

The attached article by Dr. Fritz Nonnenbruch, the well-known chief editor of the "Voelkischer Beobachter,"[1] published in issue No. 212 of the "Voelkischer Beobachter" dated 31 July, this year, will, I believe, also be of interest to you. It is the first time that, out of this political atmosphere, the fundamental question of the rights of large combines [Grosskonzerne] such as I.G. Farben has been dealt with in such a positive manner.

The article was produced after Dr. Nonnenbruch had visited Leverkusen just prior to the celebration of the 75th anniversary, and after personal relations between him and myself had been improved at every available opportunity.

With sincere respects and

Heil Hitler
Yours truly,
[Signed] PASSARGE[2]

---

[1] The Voelkischer Beobachter (Peoples Observer) was the official newspaper of the Nazi Party. The article referred to is reproduced immediately below.

[2] Mario Passarge was head of the Press Section of Farben's Berlin NW 7 Office.

I. G. FARBEN

There are many insignificant looking houses in Germany in which a great man was born or has lived. There are other just as insignificant looking houses which are not connected with a great man but with a great enterprise which from that place started its climb to world fame. One of these houses is in Barmen. On 1 August 1863, Friedrich Bayer and Friedrich Weskott founded an enterprise from which the Elberfelder Farbenfabriken (Elberfeld dyeworks) were developed, and which is one of the roots of the present German internationally famous firm of I.G. Farben.

There is a reason for us to remember this anniversary; it is because we are in the midst of a great technical revolution. Chemistry, in these times, is exerting an influence on national production to an extent which, in spite of the importance which the chemical industry already had previously, could not have been foreseen. What the chemical industry is today is evident from the fact that it, above all, has succeeded in securing national independence with regard to raw materials, an accomplishment which, previously, had frequently been considered impossible. One of the piers of the bridge across this "impossible" is I.G. Farben. No matter how one might have wished to judge this enterprise in the past and perhaps be justified, now this enterprise is a bastion in Germany's struggle for independence with regard to raw materials.

It is sufficient to quote the terms, synthetic gasoline and synthetic rubber. The value of these two processes alone to the German national economy cannot be expressed in terms of money, any more than it is possible to set a price on a glass of water for a person who needs this water urgently for the preservation of his life. The fact that we have synthetic gasoline and synthetic rubber not only enriches our production, but it is more, it is a contribution to the safeguarding of our liberty. Synthetic gasoline and synthetic rubber are not the only products the I.G. Farben has given us; prior to that, the plants of this enterprise presented synthetic nitrogen to the German nation. At the present time—just to mention one item—the introduction of Mipolam into our raw material resources is being worked on. Here are possibilities which can only be conjectured by one who has the necessary imagination and the necessary confidence in the creative ability of the German people.

Synthetic raw materials once ranked as substitutes. The work of I.G. Farben has helped to bring it about that they are no

longer being classed as such. It has been the achievement of its chemists that the synthetic product has surpassed the quality of the natural raw material. It is the aim of this enterprise to make it an internationally recognized fact, proved by German example, that the human brain is overcoming dependency on the natural raw materials. It is indeed the task of our generation to establish the superiority of mind over inanimate matter. The fact that it has successfully contributed to and continues to work for the achievement of this aim, justifies the remembrance of the foundation anniversary of a parent firm of I. G. Farben.

In this connection we are particularly pleased about one thing. The National Socialist State wants to direct the economy, but not to assume, itself, the administration of the economy. Owing to the lack of initiative prevailing in certain branches of industry, it was compelled to become an economic administrator itself, and to build its own plants. We thank I.G. Farben for having exerted their own initiative in the national struggle for independence of raw materials. This is especially pleasing to us because this initiative is an indication to us of the initiative that prevails, in general, throughout this enterprise; that also is the case in the field of research. If the State had been compelled to erect its own plants on a large scale for the manufacture of synthetic raw materials, independent of I.G. Farben, it would then also have been necessary to construct new research laboratories in these plants. It is of great value that this has not been necessary and that further research in the plant laboratories can continue to be carried out in accordance with the old and successful tradition of these same laboratories. In the initiative with which the I.G. Farben has entered the struggle for national independence of raw materials, we see a yardstick for the initiative which is being displayed in its laboratories and which we need in order to carry through the present technical revolution. This initiative is important, for the work in these laboratories will result in increase of production and, therewith, will contribute to the new German national economy and to socialism.

Obviously, the I.G. Farben is a major combine [Grosskonzern]. The best that could be said on the occasion of its anniversary is, that it has proved the necessity for major combines, that is not because it has created social institutions that smaller and medium-sized enterprises could not afford. As important as these social institutions are, the existence of socialism is not dependent on them; these institutions, if provided out of kindness of heart, demonstrate the unison of management and employees; they could, however, also be merely charity if provided for other motives. It is important, however, that I.G. Farben, had it not

been the major combine that it is, would not have been able to develop its chemical processes. What could we have done during the World War without synthetic nitrogen? What would we do now without synthetic gasoline and synthetic rubber? And how restricted would be our hopes if we had not positive knowledge of new synthetic processes which will follow? These achievements confirm the need for major combines.

However, the very fact that they are major combines necessitates their working especially for the benefit of the people; not, to be sure, through developing unescapable, monopolistic methods of market domination, but only through creative achievements. The existence of the major combine can be considered justified if it does not assume the character of a consolidated economic power, but rather provides a foundation which offers creative intelligence the opportunity to work together for the nation.

I. G. Farben, by its very example, shows how narrow-minded it is for the profits of this type of enterprise to be questioned. Undoubtedly, I.G. Farben could have made several hundred million less on its dyestuff products before the war and on synthetic nitrogen after the war, without collapsing. For the people, however, it is more important that it (Farben) has earned these several hundred millions, and therewith has secured for the German people the lead in the technical revolution of this generation, and that through these processes which have been evolved and which cost money, it has placed in the hands of the nation a weapon in the struggle for its independence of raw materials.

The extent to which I.G. Farben has become important for the nation is characterized by the expectations which we hold for the future work of this enterprise. They are expectations which are worthy of a large enterprise with such creative tradition. We expect new processes, but that is not all. We expect I.G. Farben furthermore to make its contribution towards establishing the kind of new working organization in the factories which will give each individual the opportunity to develop his creative capacities. The greatest claim to glory for an enterprise lies in the number of its leading men who have been able to rise from the bottom to the top. This bears witness to the fact that the management is not ossified, but, conscious of its responsibility, seeks the best workers for the fulfillment of its tasks. Even though the number of these men in the present management of I.G. Farben is not small, we wish, for the enterprise and the nation, that this number will continue to increase. The larger it is the greater is the human productive energy encompassing the whole works

which will be freed. And in just such a concern as I. G. Farben, in whose workshops one finds many technical installations but few workers, it should be possible to find new methods so that the intelligence and the productive energy of the workers can expand freely. At the present time it is often considered impossible for the chemical worker to be a skilled worker. If that is impossible now, is that not possibly due to the present organization of work in the factories which, of course, has become obsolete all over the world? And will it not be of advantage to research work if the workers become a broad basis for inventive genius and searching intelligence?

The I.G. Farben has contributed much to the struggle for our independence of raw materials. To express further requests in this respect would be presumptuous in view of the achievements in the past. But may it contribute its share in the fight for freedom of labor which is included in the freedom of opportunity for the development of all creative energy which, again, depends on a new method of work organization in the plants.

Seventy-five years ago the firm of Friedrich Bayer & Co. was comprised of a small building in Barmen. Today I.G. Farben is an international enterprise. May it have the fame, 75 years hence, of having been one of the starting points of a technical revolution of this generation, the importance of which can only be judged then. May this small house in Barmen have the same significance for the second stage in the development of production methods, which makes the forces of nature subservient to men, as the first steam engine had for the first stage.

NONNENBRUCH

PARTIAL TRANSLATION OF DOCUMENT NI–2795
PROSECUTION EXHIBIT 1046

CORRESPONDENCE RELATING TO CONTRIBUTION MADE BY FARBEN FOR GOVERNMENT'S USE IN SUDETENLAND

1. *Telegram from Defendant Schmitz to Hitler, 20 September 1938, Placing 500,000 Reichsmarks at Hitler's Disposal for Use in the Sudeten German Territory*

[Stamp]

Z. A. BUERO
[Office of Central Committee]
1 October 1938
[Handwritten initial] H

Telegram

30 September 1938

To the Fuehrer und Reichskanzler Adolf Hitler, Berlin

Profoundly impressed by the return of the Sudetenland to the Reich which you, my Fuehrer, have achieved, the I.G. Farbenindustrie A.G. puts an amount of half a million reichsmarks at your disposal for use in the Sudetenland territory.

Signed: HERMANN SCHMITZ

Copy to Geheimrat Schmitz, Dr. Ilgner, Directorate, Office of Central Committee, Frankfurt a.M.

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2. *Reply from Meissner, Chief of the Presidential Chancellory of the Fuehrer and Reichschancellor*

[Stamp] Z. A.–Buero—4 October 1938
Vosstrasse 1, Berlin W 8, 30–9–1938
[Date crossed out and substituted by 4 Oct.]

COPY

The State Minister and Chief of the
Presidential Chancellory of the Fuehrer and
Reich Chancellor
My dear Geheimrat!

The Fuehrer and Reich Chancellor has asked me to send you his sincere thanks for your telegram and the contribution of an amount of 500,000 reichsmarks in favor of the Sudetenland territory.

The Fuehrer has transmitted your contribution to the Sudetenland Relief Fund; in accordance with his instructions, I ask you to

have the amount credited to Postal Check Account Berlin No. 68680 with the Bank der Deutschen Arbeit, Berlin W 30, Gaisbergstr. 43, with the following notation: "Contributions in favor of the Sudetenland Refugees Fund."

Heil Hitler!
Yours obediently,
Signed: DR. MEISSNER.

To Geheimrat Schmitz
I. G. Farbenindustrie A. G.
Berlin NW 7, Unter den Linden 82

[Handwritten marginal note]

ZEFI [Central Finance Administration] has already been advised. 3 October 1938

[Another handwritten note in margin, to which arrow points from above note]

Following discussion with Mr. Helfert and Miss Esther, do not transmit to Berlin since amount has to be charged to our account after all.

PARTIAL TRANSLATION OF DOCUMENT NI–1318
PROSECUTION EXHIBIT 834

LETTER FROM THE OFFICE OF FARBEN'S CENTRAL COMMITTEE TO VARIOUS MEMBERS OF FARBEN'S VORSTAND, 22 SEPTEMBER 1938, CONCERNING THE DONATION OF 100,000 REICHSMARKS FOR SUDETEN RELIEF AND FOR THE SUDETEN GERMAN FREE CORPS

Office of the Central Committee 22 September 1938

Personal

Dear Mr.----------

We beg to inform you that after having talked over the matter with Geheimrat Schmitz we have placed the amount of RM 100,000 at the disposal of the Sudeten German Relief Fund as well as for purposes of the Sudeten German Free Corps, for the whole IG centrally.

Heil Hitler!
Office of the Central Committee
Signed: HOYER

Dir. Dr. Gajewski
Prof. Dr. Hoerlein
Dir. Dr. v. Knieriem
Dir. Dr. Krauch
Dir. Dr. ter Meer
Dir. Dr. Schneider
Dir. Dr. v. Schnitzler
Dir. Dr. Wurster
Dir. Dr. Ambros
Prof. Dr. Lautenschlaeger
Dir. Dr. Jacobi
Dir. Dr. Kuehne
Dir. Dr. Buergin
Dir. Dr. Ilgner
Dir. Dr. Oster
Dir. Otto
Dir. Dr. Scharf

PARTIAL TRANSLATION OF DOCUMENT NI-13522
PROSECUTION EXHIBIT 1957

LETTER FROM FARBEN TO THE GESTAPO, 25 NOVEMBER 1938, SIGNED BY DEFENDANT GAJEWSKI, CONCERNING THE INTENTION OF GERHARD OLLENDORFF TO GO ABROAD

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT
Management

Film Factory
Wolfen (Kreis Bitterfeld)
25 November 1938

Secret State Police, [Gestapo]
Regional Headquarters Halle,
Halle/Saale

Subject: Dr. Gerhard Ollendorff,* born 12 October 1879, at *Krotoschin* [*Krotoszyn*], *residing at Untergrainau, Upper Bavaria.*

Dr. Ollendorff has informed the Reich Office for Economic Development that he intends to go abroad. We wish to inform you that according to our interpretation Dr. Ollendorff has knowledge of secret matters and that, therefore, it would serve the general interest of the economy not to permit Dr. O. to go abroad for the time being. Since Dr. Ollendorff may still be in possession of papers, we would consider it advisable to have his home searched as a precautionary measure and any documents sent to us for study and analysis.

We request that this matter be treated in absolute confidence.

Heil Hitler!

I. G. FARBENINDUSTRIE AKTIENGESELLSCHAFT.

[Signed] GAJEWSKI
[Signed] MILLER

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* Ollendorff executed an affidavit, Gajewski Document 4, Gajewski Defense Exhibit 4, which is reproduced below in section VII C 7 *b*. Ollendorff should not be confused with Ohlendorf. Otto Ohlendorf, one of the Einsatzgruppen leaders, was also a witness (prosecution) in the Farben case and an extract from his testimony is reproduced below in section VII C 6 *b*.

PARTIAL TRANSLATION OF DOCUMENT NI–536
PROSECUTION EXHIBIT 485

TWO LETTERS CONCERNING BIRTHDAY GIFTS TO GOERING IN JANUARY 1939

1. Bill of Sale, 12 January 1939,[1] to the Defendant Krauch for an Oil Painting Presented to Goering as a Gift

Galerie fuer Alte Kunst
G.m.b.H. [Art Gallery]

Munich 2, 12 January 1939
Briennerstr. 13

BILL OF SALE

Director Dr. C. Krauch
BERLIN W 9, Saarlandstrasse 128

Upon your order we sent as a birthday present to His Excellency, Field Marshal Minister President Hermann Goering
1 *oil painting* on wood (52x38)
MOTHER HOLDING THE SLEEPING CHILD AGAINST HER BREAST
Flemish, by the master of the MANSI-MAGDALENA.

Net price, 38,000 *reichsmarks*

Kindly remit to our account with the Dresdner Bank, Munich.

2. Letter to Goering, 12 January 1939, Signed by the Defendant Krauch, Concerning a Birthday Gift

Berlin NW 7, 12 January 1939
Unter den Linden 82

Most venerable Field Marshal:

On the occasion of your birthday, we take the liberty of transmitting to you, most venerable Field Marshal, our heartiest wishes.

May I, in the name of our company, and as a visible token of our sincere reverence, put a sum[2] at your disposal with the request that, in view of the great variety of fields to which you devote your attention, you will kindly determine the purpose of its application yourself.

With German salute
Heil Hitler!
Yours very devotedly
for Geheimrat Dr. H. Schmitz
[Signed] C. KRAUCH

[1] Three additional letters dealing with the purchase of the oil painting mentioned in this bill of sale have not been reproduced herein although they were introduced in evidence as part of Prosecution Exhibit 485.

[2] The amount of this sum is not disclosed by this letter.

PARTIAL TRANSLATION OF DOCUMENT NI-5813
PROSECUTION EXHIBIT 686

EXTRACT FROM THE MINUTES OF THE 27TH MEETING OF FARBEN'S VORSTAND, 25 SEPTEMBER 1941, DISCUSSING APPROVAL OF CREDITS FOR NEW CONSTRUCTIONS AND THE FACT THAT THE FINANCIAL STRAIN ON FARBEN WAS ALMOST ENTIRELY DUE TO EXIGENCIES OF PLANTS CONNECTED WITH THE WAR EFFORT

* * * * * * *

Present all members of the Vorstand, with the exception of Dr. Waibel.

* * * * * * *

1. Technical Committee

* * * * * * *

Credits for new buildings, including the new credits allowed at the last TEA [Technical Committee] meeting, less the estimate of expenses figured until the end of September, amounted to 1.8 billion reichsmarks. To this must be added a few sums which are about to materialize, even if they have not actually been granted, so that one can count on total credits amounting to approximately 2 billion reichsmarks. In comparison herewith, it was pointed out that the total expenses for new construction work of IG from 1932 to the beginning of 1941 has also amounted to 2 billion reichsmarks. The 400 million reichsmarks spent in 1938 represented the largest amount hitherto expended in any one year; in 1940, it decreased to 360 million reichsmarks and is estimated at 520 million reichsmarks for 1941, and at 650 million reichsmarks for 1942; a part of these expenditures has been financed by raising capital.

Furthermore, a brief report was submitted on the applications for credits amounting to 77.7 million reichsmarks put before the TEA meeting; they were approved.

Following the granting of credits, Geheimrat Schmitz commented on the financial strain to which IG was being subjected owing almost entirely to the exigencies of plants connected with the war effort.

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PARTIAL TRANSLATION OF DOCUMENT NI-15027
PROSECUTION EXHIBIT 2064

LETTER FROM DEFENDANT KUEHNE TO DEFENDANT SCHMITZ, 18 OCTOBER 1941, CONCERNING A MEETING OF GOVERNMENT, PARTY, AND INDUSTRIAL LEADERS AT WHICH REICH MINISTER FUNK STATED THAT "WITHOUT THE GERMAN IG AND ITS ACHIEVEMENTS IT WOULD NOT HAVE BEEN POSSIBLE TO WAGE THIS WAR"

I.G. Leverkusen
Direktions—Abteilung [Management]
18 October 1941 S

Personal

Confidential

Geheimrat Dr. H. Schmitz, I.G. Farbenindustrie A.G.
Berlin N.W. 7, Unter den Linden 78

Dear Geheimrat Schmitz,

Unfortunately, despite my efforts, I was unable to find you at yesterday's meeting in honor of Geheimrat Poensgen. I inquired regarding you from various gentlemen, among them Herr v. Siemens and Herr Bingel, as I heard from my secretary that you wanted to come and thought that perhaps these gentlemen had come with you from Berlin. However, nobody could tell me whether you were present. Nor did I see you at the lunch which followed. I had hoped to see you at the invitation which Gauleiter Florian[1] had arranged for a small circle, and only there I learned from Herr Zangen that you had been present.

I would now like to take this opportunity to inform you about an interesting discussion which took place there, even at the risk of relating what is known to you already.

First of all there was an invitation to lunch from Herr Florian for a small circle, at which Minister Funk[2] and his staff also participated and at four o'clock, at the suggestion of Gauleiter Florian, Funk extended an invitation to tea. At this invitation there were present as representatives of the Rhenish-Westphalian industry:

Herr Zangen
Herr Zucker, President of the Chamber of Commerce of Dusseldorf
Herr Pleiger[3]

---

[1] Florian was the Gauleiter of the Nazi Party for the Gau Duesseldorf.

[2] Walther Funk was a defendant in the IMT Case. He was sentenced to life imprisonment. See *"Trial of the Major War Criminals,"* vol. I, pp. 365 and 366.

[3] Paul Pleiger, Chairman of the Vorstand of the Herman Goering Works and Reich Plenipotentiary for Coal, was a defendant in the Ministries case. He was sentenced to 15 years imprisonment. See vols. XII–XIV, this series.

and I.

In addition there were present:

Minister Funk,
State Secretaries General v. Hanneken and Walther,
Gauwirtschaftsberater Ammon,
Deputy Gauleiter Oberhues,
Gauleiter Florian,
State Secretary Kleinmann,
Railway President Roever from Elberfeld,
Regierungspraesident Reeder, Military Commander for France and Belgium.

We were requested at this meeting to report frankly to the Minister regarding all problems, needs, and desires of the Rhenish industries. There followed a very interesting discussion, which, especially in view of the lengthy concluding remarks made by Herr Funk, was very impressive indeed, and which went on until about 18:30 hours at the wish of Funk.

* * * * * * *

Herr Florian then asked me to speak.

* * * * * * *

Finally, I took exception to the remarks made by Herr Pleiger regarding the large Aktiengesellschaften, as I saw in them a dig against IG.

I pointed out that his opinion that the large Aktiengesellschaften did not show the activity of the small businessman, at least did not apply to IG, and that for this the achievements of IG were sufficient proof. This fact was primarily attributable to the organization of IG which, as described by Duisberg, in its decentralized centralization of organization, allowed every plant manager [Werksleiter] a great deal of independence and only thereby the necessary pleasure in his work, while on the other hand the plant managers had the choice, if necessary, voluntarily to fall in line with the general organization.

I had discussed this fact last week also with the manager of the big Montecatini concern, Herr Donegani, who had expressed his astonishment that while he himself conducted final negotiations in all matters for Montecatini, in the case of IG, Herr Schmitz did not negotiate and decide upon everything, but that he [Donegani] had had dealings with various members of the Vorstand circle of IG. I told Herr Donegani that that was not only the strength of the German IG, but of us Germans in general. In this way, if possessed of an adequate consciousness of responsibility and a sense of duty, we did manage voluntarily to fall in line, if necessary; and on the whole that also constituted

the success of the German Army and German industry, whereas in the case of the Italians, this was lacking, to the detriment of their Army and industry.

Herr Pleiger himself finally also admitted that the IG, through its achievements, showed that she works at least just as well as any individual businessman.

* * * * * * *

Finally Minister Funk spoke at length, and he left it to us to inform our circle according to the judgment of the individual. For the time being I would like to convey to you the following statements only:

* * * * * * *

At the conclusion of his lengthy statement, regarding which I hope I will once more be able to report to you in person, Herr Funk said the following: He felt compelled after all to refer to the remarks made by Herr Pleiger and by me. Naturally, coal, iron, guns, and procurement of materials were necessary for waging war, and the importance of these industries must not be underestimated. However, one thing we must establish, namely, that *without the German IG and its achievements, it would not have been possible to wage this war. You can imagine I was overjoyed and expressed to Herr Funk my thanks in the name of the whole IG.*

* * * * * * *

With kindest regards for today,

Yours most respectfully
[Stamp] Signed: KUEHNE.

PARTIAL TRANSLATION OF DOCUMENT NI-15026
PROSECUTION EXHIBIT 2066

EXTRACTS FROM A LETTER FROM DEFENDANT KUEHNE TO DEFENDANT SCHMITZ, 15 MAY 1942, CONCERNING VISITS TO MUSSOLINI AND OTHER ITALIAN OFFICIALS REGARDING COLLABORATION OF FARBEN IN CHEMICAL PRODUCTION AND RESEARCH IN ITALY DURING THE WAR

15 May 1942

I. G. LEVERKUSEN

Direktions—Abteilung [Management]

Geheimrat Schmitz, I.G. Farbenindustrie A. G.,
Berlin NW 7, Unter den Linden 78

Dear Geheimrat,

* * * * * * *

For your information, I should like to add, regarding my last visit to Italy, that not only the Duce but also His Excellency, Korporationsminister, Ricci, received me. In both instances, I had to explain the structure of the sulfur research association [Schwefelstudiengesellschaft] which is to be founded by us, and both expressed displeasure at the fact that Montecatini was participating with 50 percent and Parodi and IG with only 22½ percent each (Ferrario gets 5 percent). I gave the reasons for Montecatini's demands by stating that Montecatini claimed they had delivered the raw material for our experiments free of charge and up till December had discussed a collaboration on a half-and-half participation basis, so that I could not refuse this request, although I myself had some misgivings.

Both men suggested that we immediately turn to either the private secretary of the Duce, or to His Excellency, Ricci himself, in the event of our having any difficulties whatsoever with Montecatini.

The impression of my visit to the Duce was, I am glad to say, very good. He expressed this not only to Ferrario, but His Excellency Ricci confirmed this to me several times. Consequently, His Excellency Ricci is extremely cooperative. All our wishes regarding facilitating import of machines for the experimental plants were granted immediately. Furthermore, His Excellency Ricci immediately took up the wishes which I expressed at this opportunity, regarding the new magnesium plant which IG/Cogne and Sava want to erect in Chioggia. My visit to the Duce and the fine reception I was given there and by His Excellency Ricci, obviously also had an effect on Montecatini. On

the evening before my departure, I also received a phone call from Dr. Wurster, Ludwigshafen, who informed me that the pyrites supplies agreement between Germany and Italy had again been settled, but that Herr Donegani was stubbornly refusing to again give IG a 10 percent rebate, and that I should intervene with Montecatini.

I telephoned Herr Giustiniani the same evening, requesting him to speak to his president, and received a telegram the next morning stating that Herr Donegani would again grant the 10 percent in view of the friendly relations with IG and particularly with Geheimrat Schmitz.

In another case it also appears that, after a long struggle, Montecatini wants to meet us halfway. A very much disputed flaw in our Societa Italiana Carboni Attivi is that Montecatini has 51 percent and the Aktivkohlevereinigung Degussa/Lurgi and IG, represented by the latter, has only 49 percent. Herr Giustiniani promised me at our last meeting that he would see whether Montecatini could not forgo this 1 percent. As I have heard that you will be having a meeting with Donegani in the near future, I just wanted to give you this short report.

With best regards,

Yours respectfully,

Signed: KUEHNE.

TRANSLATION OF DOCUMENT NI–2856
PROSECUTION EXHIBIT 1594

LETTER FROM BARON VON SCHROEDER TO DEFENDANT SCHMITZ, 16 MARCH 1944, CONCERNING FARBEN'S PRIOR GIFTS OF 100,000 REISCHMARKS ANNUALLY AT THE DISPOSAL OF REICHSFUEHRER SS HIMMLER AND REQUESTING THE SAME AMOUNT FOR THE YEAR 1944[1]

16 March 1944
Wiener Platz 5

Herr Geheimrat Schmitz
c/o I.G. Farbenindustrie A.G.
Berlin

Dear Geheimrat,

During the past years, your company, at my request, has placed at the disposal of the Reichsfuehrer SS, for his special tasks, amounts of RM 100,000 each.[2] I, therefore, take the liberty of asking you again, this year, to remit the same amount for the

[1] A number of other documents concerning these contributions, which were made through the so-called "Circle of Friends" of Himmler, are reproduced in section V, vol. VI, this series.
[2] Farben made contributions of 100,000 reichsmarks for the years 1941, 1942, 1943, and 1944.

Reichsfuehrer SS to the Special Account "S" with the banking firm of J. H. Stein, Cologne. I would be exceedingly grateful to you if you complied with this request.

As you know, the Reichsfuehrer has always particularly appreciated this contribution, and you may be sure of his gratitude.

With best regards, and

Heil Hitler,
Yours very sincerely
v. s. [VON SCHROEDER]

TRANSLATION OF DOCUMENT NI-8125
PROSECUTION EXHIBIT 1584

LETTER FROM BARON VON SCHROEDER TO HIMMLER, 18 MAY 1942, CONCERNING THE GIFT OF MORE THAN ONE MILLION REICHSMARKS FROM THE "CIRCLE OF FRIENDS" FOR HIMMLER'S SPECIAL TASKS

Kurt Freiherr v. Schroeder
Koeln, 18 May 1942
Laurenzplatz 1-9

[Handwritten Initials] H H [Himmler]
[Stamp]
Personal Staff Reichsfuehrer SS
Record Department
File No. AR/45

Reichsfuehrer SS Heinrich Himmler
Berlin

My dear Reichsfuehrer:

I am extremely happy to be able to put at your disposal this year, too, contributions from your Circle of Friends for your special tasks in the amount of a little over one million reichsmarks. I shall soon send you an exact report on the individual contributions, since the project has not been completed.

In the meantime I wanted to tell you today already that your friends are at your disposal as always when you need help for the many big projects you have taken on. If, with this we can, at the same time, give you some pleasure at the present time, which is especially difficult and full of responsibility for you, we expect no better thanks.

We hope very much to be able to see you some time again in our Circle, and to be able to express to you personally our sincere friendship.

In sending you best wishes for success in this critical summer, I remain, in sincere and cordial admiration as always

Heil Hitler!

Yours devotedly,

[Signed] K.Frh. v. Schroeder

SS Oberfuehrer

[Stamp]
Personal Staff Reichsfuehrer SS
Recd.: 20 May 1942
Ref. No. AR 22/4/42
To: RF [Handwritten]

TRANSLATION OF DOCUMENT NI-6045-F*
PROSECUTION EXHIBIT 1586

LETTER FROM HIMMLER TO VON SCHROEDER, 25 AUGUST 1942, REQUESTING VON SCHROEDER TO THANK ALL MEMBERS OF THE CIRCLE OF FRIENDS FOR AGAIN CONTRIBUTING "OVER A MILLION REICHSMARKS FOR MY PURPOSES"

Field Command Post,
25 August 1942

RF/V. AR 22 April 42

[Stamp] Personal Staff Reichsfuehrer SS
Record Department
File No. Ar/45

[Handwritten] Circle of Friends

My dear and esteemed Baron Schroeder,

It is only today that I am at last able to answer your letter of 18 May 1942. Since the arrival of your letter I have lived through difficult days and weeks. The death of SS Obergruppenfuehrer Heydrich has been a heavy blow to me. From the time of his death until now I have had even more work than before, as I have for the time being taken over the administration of the Reich Security Main Office myself. This is why I am only just finding time gradually to deal with correspondence which I intended to answer myself and personally.

Please inform all members of the Circle of Friends how very grateful I am to them for again contributing so generously over a million reichsmarks for my purposes [fuer meine Verfuegungszwecke]. I know what sacrifices this sum represents and thank all friends with all my heart for making it possible once more

* This document was introduced in the Flick case (Case 5) as Prosecution Exhibit 684, and is reproduced in section V C, vol. VI, this series.

for me to heal many a wound, to help many people, and to set in motion much that is valuable to Germany, particularly in scientific spheres.

To you, my dear Baron Schroeder, I extend my particular thanks for again having taken the trouble to sponsor and manage the collection of this gift. I very much hope that during the winter I shall find it possible to take part in a *soiree* of the Circle of Friends in Berlin. But you know yourself that so far as my appointments are concerned, I cannot make arrangements for more than three days at a time.

Here everything is running very smoothly and in every way satisfactorily.

Many kind regards and Heil Hitler!

Yours,

[Handwritten] Very sincerely

[Initials] H H [Heinrich Himmler]

Copies sent to—

(2) SS Obergruppenfuehrer Wolff

(3) SS Oberfuehrer Kranefuss

for their information

[Illegible initials]

SS Obersturmfuehrer

27 August 1942

PARTIAL TRANSLATION OF DOCUMENT NI–4043
PROSECUTION EXHIBIT 14

EXCHANGE OF LETTERS BETWEEN SPEER, REICH MINISTER FOR ARMAMENTS AND WAR PRODUCTION, AND REICHSFUEHRER SS HIMMLER, JULY 1944, CONCERNING THE "N-PRODUCT" AND CONTAINING SPEER'S STATEMENT THAT "NOWADAYS WE ARE ENTIRELY DEPENDENT UPON THE WORK OF I.G. FARBEN FOR CHEMICAL PROGRESS"

1. Letter From Speer, 26 July 1944

The Reich Minister for Armaments and War Production
370–929–44 gRs

Top Secret
Berlin, 26 July 1944
Pariser Platz 3

To the Reichsfuhrer SS and
Commander of Replacement Army
Himmler
Berlin W 35

Dear Party Member Himmler,

At the end of June, the Fuhrer referred to the insufficient tests of the "N-product" [N-Stoff]* made by the Army Ordnance Office and told me about his intention to transfer the responsibility for the production and the tests of the "N-product" to the Waffen SS.

At that time, I convinced the Fuehrer that the production should, for the time being, not be taken over by the Waffen SS, but that it would be sufficient if the Waffen SS were to take over the testing of the "N-product."

Even today, I would consider it a mistake if the production of the "N-product" were to be taken over by the Waffen SS, because after all, in Germany, there is only I.G. Farben that has available the necessary specialists for the constant innovations in chemical processes.

I do, however, regret that within the framework of the Four Year Plan, no competitive firm to the I.G. Farben Konzern was established, as was the case with the Hermann Goering Works. This would have been easily possible at the time when the numerous new plants of the Four Year Plan were established.

Nowadays, we are entirely dependent upon the work of I.G. Farben for chemical progress.

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* A type of poison gas. See extracts from the testimony of defendant Ambros reproduced in section VII G 7 *a*.

A modern chemical plant to work separately from I.G. Farben therefore does not seem advisable to me.

For that reason, I ordered that the Falkenhagen plant, which was at first independently run by the Ordnance Office, be handed over for operation to I.G. Farben, into the hands of the best qualified chemist of I.G. Farben, Dr. Ambros, who succeeded lately in producing a perfect buna of a quality equal to that of natural rubber.

Furthermore, I cannot agree that the production in Falkenhagen be taken over. [Handwritten addition]: by the Waffen SS, because in connection with, and in addition to, the "N-product" installation, there is an important installation for chemical warfare agents.*

2. Himmler's Reply to Speer, 31 July 1944

The Reichsfuehrer SS
Day Book No. [Illegible] RF/Bn
Field Command Post, 31 July 1944

Re: Your Letter 26 July 1944—370-929/44 gRs—

To the Reich Minister for Armaments and War Production
Party Member Speer 5 copies
Berlin, Pariser Platz 3 5th copy

Dear Party Member Speer,

I thank you for your letter of 26 July 1944. In the meantime, I have talked to SS Obergruppenfuehrer Juettner. We will, with all our energy, first undertake tests of the [N-Product] "N-Stoff". I naturally agree that I.G. Farben should take over the plant in Falkenhagen, or rather continue to manage its operations.

Only the question of the sale, and the method of payment still have to be examined more closely. About this you will, however, be informed later on.

Heil Hitler!
Always yours,
[Signed]: H. Himmler

Copy has been sent for information to:
(2) The Chief of the SS High Command
SS Obergruppenfuehrer Juettner, Berlin
(3) The Chief of the SS Economic and Administrative Office
SS Obergruppenfuehrer Pohl, Berlin

* There was no signature on this document since it was a copy attached to the Himmler letter reproduced immediately below. Also attached to this letter was a copy of a teletype of 7 July 1944 from General Keitel, the Chief of the High Command of the Wehrmacht, to Speer, which stated: "The Fuehrer has ordered that the Reichsfuehrer SS immediately continue experiments with 'N-product' [N-Stoff]. Chief of Army Equipment and Commander of Replacement Army: To this end, the Army Ordnance Office will immediately submit to the Reichsfuehrer SS all reference material and know-how gathered up to now about the N-Stoff, and will support him in his endeavors with all possible means."

(4) SS Obersturmbannfuehrer Grothmann

A copy of the letter of Reich Minister Speer, dated 26 July 1944, is enclosed.

By order:

[Illegible signature]
SS Hauptsturmfuehrer, 30 July

1 Encl.

5. TESTIMONY OF DEFENDANT KRAUCH, TER MEER, SCHNEIDER, GAJEWSKI, HAEFLIGER, KUEHNE, AND KUGLER

a. Testimony of Defendant Krauch

[Statement from the judgment concerning personal history, positions, and affiliations of Defendant Carl Krauch:

"*KRAUCH Carl*: Born 7 April 1887, Darmstadt, Germany. Doctor of natural science, professor of chemistry. Member of Vorstand and of its Control Committee; member and chairman of Aufsichtsrat 1940–1945; chief of Sparte I, 1929–1938; chief of Berlin Liaison Office (Vermittlungsstelle W); member of the board in a number of major Farben subsidiaries and affiliates, including the Ford Works at Cologne.

"In April 1936 placed in charge of the Research and Development Department for Raw Materials and Foreign Currency on Goering's staff; October 1936 in charge of Research and Development Department in the Office of German Raw Materials and Synthetics under the Four Year Plan; July 1938–1945, Plenipotentiary General for Special Questions of Chemical Production; December 1939, Commissioner for Economic Development under Four Year Plan; 1938–1945, Military Economy Leader; member of Directorate, Reich Research Council.

1937, member of Nazi Party; member of NSFK; member of German Labor Front."]

EXTRACT FROM THE TESTIMONY OF DEFENDANT KRAUCH*

DIRECT EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): Did you have any connections with leading National Socialist circles before 1933?

DEFENDANT KRAUCH: No, in no way at all, neither in an economic nor social nor political sense.

Q. In this connection, would you describe, very briefly, as you told me once before, how in 1932, you were approached with the offer to participate in founding a National Socialist newspaper?

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* Complete testimony is recorded in the mimeographed transcript, 12, 13, 14, 16, and 19 January 1948. pp. 5037–5258; 5379–5469; and 5514–5571. Further extracts are reproduced below in subsections F 3, G 7a, H 4a, I 7a, L 3a, and N 5b, and in section IX F 1, volume VIII, this series.

A. In 1932, two representatives of the Heidelberg Kreisleitung appeared in my apartment, who tried to persuade me to help them in founding a National Socialist newspaper in the Rhine Palatinate area, and wanted a certain sum from me—I think it was 50,000 marks.

They gave as a reason that national socialism was on the threshold of its rise; the elections had shown that within the next year one could surely count on national socialism attaining power. It was certain, they said, that people who at this time, in 1932, were assisting national socialism by monetary contributions would later, accordingly, be gratefully favored by the government.

I replied that it was just the latter part of their request why I refused to make any monetary contribution; that if I was in need of any consideration and favor I did not want to pay for it with money, but I wanted to be appreciated on the basis of my own achievements.

In addition, I said that I was not a follower of the National Socialist Party, but of the German Peoples' Party [Deutsche Volkspartei] which always had my vote during elections.

Q. Thank you very much. One brief explanation in connection with the so-called gasoline negotiations in November 1932. Let me remind you that under paragraph 7 of the indictment, mention is made that the gentlemen, Gattineau and Buetefisch, had negotiated with Hitler with respect to the question of the production of synthetic gasoline in Munich. Did you participate in these negotiations?

A. No, I did not.

Q. Now we have dealt with the time before 1933; How about the beginning of your relations with the new men, who, on the 30th of January, 1933, came into power? Who was the first one with whom you established contact?

A. The first man was Gottfried Feder.

Q. Would you please be good enough to tell the Tribunal who Feder was?

A. Feder was a well-known engineer, one of the first members of the Party. So far as I know, he was even a member of the Party before Hitler, according to his Party number. After Hitler's accession to power he was appointed State Secretary in the Ministry of Economics and under the Reich Minister of Economics performed the duties of an officiating State Secretary.

Q. In respect to what matters did you establish contact with him?

A. I contacted him through one of his collaborators, a certain Professor Upperlohde of Berlin, who had developed a new

process for the production of gasoline out of crude oils and tars. Another associate of Feder was a director of the Berlin-Anhaltische Machinenfabrik, von Laroche, with whom I repeatedly came in contact in connection with orders for plants of the I.G. Farbenindustrie. Von Laroche drew my attention to this new process and asked me to give my opinion on the possibility of producing, or of developing and executing, this process.

Q. Dr. Krauch, I think that may perhaps be going a little too far. Perhaps you will be good enough to explain very briefly the essentials of the negotiations with Feder.

A. Yes. Von Laroche asked me to tell State Secretary Feder about the misgivings I had about this process, and this brought me to my first contact with Feder. I was able to convince Feder that this process was not as yet technically workable. He mentioned that the government was considerably interested in realizing the plan of obtaining work for the many unemployed, and in developing new projects which would enable them to employ workers.

Q. You then talked about the gasoline negotiations of November 1932?

A. Yes.

Q. What happened then?

A. Feder asked me whether it would be possible, upon the basis of the hydrogenation process of the I.G. Farbenindustrie, to embark upon a larger production of gasoline. I told him that the gasoline production of Leuna had to be limited to a certain production of 100,000 tons, for financial reasons.

Feder then asked me whether it was technically possible to increase that production figure. I admitted, offhand, that there was such a technical possibility, but I drew his attention to the fact that it would involve a large financial risk for the IG. The IG had had a large amount of expenses when working out the hydrogenation process, and for that reason they had decided to leave production at a technical level of 100,000 tons, which could be coped with according to the experiences made. I said that with the increase in production, it was to be feared that technical difficulties would arise which would increase costs of production.

Q. Will you please pass on to the final result of these negotiations?

A. Yes, the final result was the following: We suggested the idea of a certain profit guarantee which was equal to the development costs. I must explain that. If in the case of a production of 100,000 tons, we calculated, for instance, 24 pfennigs production cost, and if, in case of a higher production than a hundred

thousand tons, we had a production cost of 28 pfennigs, for instance, this sale price was to be guaranteed to the plant.

In addition, it was provided that the turnover would be guaranteed to the plant in the very same way which, in the case of IG, was really not necessary because the IG, on the basis of its Standard Oil contracts, had received a guaranty given by the Standard Oil Company, according to which all its hydrogenation products would be sold by the sales company of the Standard Oil in Germany.

Q. Did you see something unusual in that contract?

A. No, not at all.

Q. Could you give me brief reasons for that? Could you perhaps give me examples from other countries?

A. It was general usage. A typical example would be the protection of nitrogen production in various countries. Every state had an interest in developing the production of nitrogen at home, and to maintain a current sale, to guarantee certain prices to the plants and to protect them in the competitive battle which was going on with respect to nitrogen import from other countries where nitrogen was perhaps a little cheaper to produce.

Q. Would you briefly describe whether this contract was connected with military economic problems?

A. In no way at all. If I may add, negotiations were carried out with representatives of the Bruening government in 1932, who also were interested to obtain higher productions in order to create more work for the unemployed. Such negotiations were only interrupted by the change of government.

Q. Who signed the contract on behalf of the IG?

A. The contract was signed by Professor Bosch.

Q. Let us leave this subject for the moment. Would you please name other gentlemen of the National Socialist government with whom you had contact in 1933?

A. I must mention Erhard Milch.*

Q. Would you please describe to the Tribunal who Milch was?

A. Milch, before 1933, was the Director of the Lufthansa, an organization of civilian aviation. During the First World War he had been a flier. Goering, after Hitler's accession to power, made him State Secretary of the newly created Reich Air Ministry.

Q. Who brought you into contact with Milch?

A. In August 1933, I received a letter from Dr. Voegeler, the Director General of the United Steel Works (Vereinigte Stahl-

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* Milch appeared as a defense witness. Extracts from his testimony are reproduced in section V B 1 above and in subsection C 6 *a* below.

werke) whom I had known for some time. He was one of Professor Bosch's friends.

Q. You established contact with Milch. Would you please give us the purpose and the sense of that meeting?

A. Voegeler had a number of questions to discuss with Milch in the field of iron, and Milch also asked him to inform him on questions of German gasoline production. Since Dr. Voegeler was not really an expert in this field, he asked me to participate in this negotiation as far as oil was concerned.

Q. Upon what was Milch's interest based when putting questions to you?

A. Milch mainly discussed the problems of labor conditions. He discussed the possibilities of launching—within the large-scale program of the government—many new projects on as many spheres as possible. He wanted me to tell him to what extent the work of the IG had progressed and how I would judge that progress.

Q. The prosecution document alleges that Milch asked you for a memorandum?*

A. Yes, that is correct.

Q. Would you please briefly refer to the content of that memorandum?

A. Milch directed the question to me: "In what way may it be possible to include mineral oil production in the work program of the government?" I told him that that was possible. I said that the limits of the mineral oil program were determined by the capacity of the machine industry. Milch asked me up to what production level one could get, within a certain number of years. I replied that I would recommend to let oil imports remain at the same level as had prevailed during the last few years, which was approximately one million tons, and with respect to the increased need, as a result of the extension of motorization in Germany, our own production should supplement the difference. I arrived at a figure of approximately 1.8 million tons which had to be produced in addition. This production was attainable within approximately 4 years, according to the capacity of the machine industry which I mentioned before. In addition, I had calculated that 70,000 workers would be employed through that method during that period.

Q. Did you realize your ideas?

A. No, not at first. I received a letter of thanks from Milch in which he acknowledged the receipt of my memorandum.

Q. That was in 1933. In this connection, let me remind you of a further contact with Milch and a further exchange of cor-

* See Document NI-4718, Prosecution Exhibit 138, reproduced in subsection C 4 above.

respondence, from the middle of 1935. This correspondence has been presented by the prosecution as Document NI–4718, Prosecution Exhibit 138,* Document book 6, English text page 16, German text page 24. Would you perhaps be good enough to look into this correspondence and to comment upon it briefly. Since the documents have been presented from the point of view of incrimination, and from the point of view of waging an aggressive war, you will perhaps be able to use them and give us a basic explanation with respect to them. Do you have the document before you?

A. Yes, I have it. It's Exhibit 138. In this letter, Milch first expresses his thanks, referring to the reception given him on the occasion of his visit, and later discusses an intended meeting with Goering to which he would particularly invite me. He said that Goering had the intention to talk about the technical development of timber in which he was particularly interested as Reich Forestry Master. That meeting, however, did not take place and I never again heard of it. He goes on to speak about the Makhonine process, which was a French gasoline process which was offered to him and about which he wanted my opinion. The last point refers to the request to have experimental material or training material for his officers, since he wanted to start technical instructions with respect to the various hydrogenation processes, whether it was IG or Fischer or other processes.

Q. Now, Dr. Krauch, you will probably remember that this letter was submitted to you and it was connected with your knowledge of aggressive intent. I should like to ask you to define your attitude basically towards this document and other similar documents.

A. I never considered the rearmament program of the government in the light of an aggressive war. At that time, it was the general opinion (and there was a certain political justification for it) that Germany was seriously threatened by bolshevism. From this point of view, in other words, I considered rearmament of the Wehrmacht and the government as a measure for a defensive war.

Q. It is important for us to have you give us an all-comprising picture, and perhaps, at the beginning of your examination, you could group the facts on the basis of which you are considering the material which was submitted by the prosecution against you.

A. First of all, I could not possibly be informed about the measures of foreign policy which were perhaps connected with aggressive intent by the government, since I did not belong to the circles to whom Hitler confided his ideas. Another considera-

* Reproduced above in subsection C 4.

tion is the fact that I considered the waging of war by Germany, in view of its geographical position and after the experiences of the First World War, as absolutely untenable. Another argument is that a large number of measures, which perhaps have been executed upon my instigation, are absolutely incompatible with the idea of any intended aggressive war. Yet another argument is that it was always my attitude that the Four Year Plan represented a plan which would have come into being even if there was no rearmament whatever. Its main purpose, and you may even say its only purpose in the final analysis, was the settlement of the currency balance.

DR. BOETTCHER: Your Honor, I think the obvious step now would be to question Dr. Krauch about details of foreign policy. However, owing to a certain distribution of subjects in order to expedite the trial and in order to avoid repetition, this subject will be dealt with by another gentleman from the defense. I shall, therefore, limit myself to these brief questions. I shall now continue by discussing with Dr. Krauch his further personal career and development.

PRESIDING JUDGE SHAKE: Very well.

DR. BOETTCHER: How about further contacts with men close to the National Socialist government?

DEFENDANT KRAUCH: General Liese should be mentioned in this place.

Q. Who was he?

A. General Liese, at that time, was the Chief of the Army Ordnance Office.

Q. How did General Liese come to you?

A. General Liese was an acquaintaince of Professor Bosch, and he made his acquaintance through Baron von Lersner.

Q. And who was Baron von Lersner?

A. Baron von Lersner was a very close associate of Professor Bosch. Professor Bosch met him on the occasion of the peace negotiations at Versailles, which Lersner headed as president of the German Peace Delegation. Bosch was sent to the negotiations by the German Government, as adviser for economic questions.

Q. Very well. Would you give us quite briefly the contents of your negotiations with General Liese?

A. General Liese visited Professor Bosch in Heidelberg, and on this occasion Bosch asked me to show Liese around the Oppau plant of which I was in charge at that time.

Q. How about further connections? I shall now mention the name Dr. Schacht. What was Schacht's position at the time?

A. Before Schacht became Minister of Economics he was

president of the Reichsbank at that time. In that capacity he had to take care of the foreign exchange balance.

Q. Why are you emphasizing the foreign exchange balance?

A. Schacht was naturally interested in gaining a survey of products which would alleviate the foreign exchange balance difficulties through our own production at home.

Q. Since when was the German foreign exchange balance in difficulties?

A. That was already the case in 1930, after virtually no foreign exchange was at the disposal of the government to cover its imports.

Q. And what were the ideas with which Schacht approached you?

A. It was Schacht's intention to increase German mineral oil production in order to obtain an alleviation on that score.

Q. In other words, it was the same idea which Milch had already advanced?

A. Yes, it was always the same question. Milch talked to me from the point of view of labor conditions, whereas Schacht approached me on the question of the country's home production for financial considerations.

Q. Why did Schacht, particularly, approach you?

A. Schacht perhaps knew that I was rather well informed in the fields of chemical synthesis, nitrogen, gasoline, buna, and similar products, and for that reason, wanted to obtain my judgment.*

* * * * * * *

b. Testimony of Defendant ter Meer

[Statement from the judgment concerning the personal history, positions, and affiliations of Defendant Fritz ter Meer:

"*TER MEER, Fritz*: Born 4 July 1884, Uerdingen, Lower Rhine. Ph. D. in chemistry. 1926–1945, member of Vorstand; 1926–1938, member of Working Committee; 1933–1945, member of Central Committee; 1925–1945, member of Technical Committee (chairman 1933–1945); 1929–1945, chief of Sparte II; 1936–1945, technical representative on Dyestuffs Committee; officer or member of control groups of numerous Farben units, subsidiaries and affiliates, including Francolor, Paris, as well as concerns in Italy, Spain, Switzerland, and the United States.

"Member of Nazi Party and German Labor Front; Military Economy Leader; member of National Socialist Bund of German Technicians; commissioner for Italy of the Reich Ministry for Armament and War Production; member of Economic Group Chemical Industry, holding several official positions and titles; member of numerous technical and scientific bodies."]

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* Extracts from the testimony of the defendant Krauch concerning developments beginning with the Four Year Plan are reproduced in subsections F and G, below.

EXTRACT FROM THE TESTIMONY OF DEFENDANT TER MEER*

DIRECT EXAMINATION

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DR. BERNDT (counsel for defendant ter Meer) : A questionnaire of the prosecution once asked whether you had any income from the NSDAP or any Party institutions.

DEFENDANT TER MEER: No, I did not have any income from any connections with the Party or any office connected with the Party.

Q. Then I can go on to your connections with the Party. Before 1933, did you have any connections with the Party?

A. No.

Q. In 1933, did you join the Party?

A. No.

Q. Did you become a member of any other branch of the Party?

A. No.

Q. Not even a sponsoring member?

A. No.

Q. You had an automobile in 1933?

A. Yes.

Q. Did you join the National Socialist Motor Corps [NSKK]?

A. No.

Q. Did you yourself read the popular book "Mein Kampf"?

A. No.

Q. Did you know the Party program?

A. Of course I did know the Party program in broad outline. First of all people talked about it. Secondly, there were some negative points for us, and we had discussed these points long before 1933. And then, of course, we read about it in the newspapers and we heard speeches from the big Party men, so that I can say I was familiar with the program in general outline. That was one of the reasons why, up to 1933, I had a completely negative attitude to the Party. The Party was opposed to the big Konzerns and a maximum income was to be set, and the attitude of the Party organs before 1933 was in many respects very repulsive to me. In the Reichstag the National Socialists used to vote with the Communists. When I lived in Cologne—that was between 1928 and 1932, I personally observed in what way Mr. Ley and his followers "conquered" Cologne, as they used to say—that is to say, conquered it for the Party. This resulted in brawls of

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* Complete Testimony is recorded in the mimeographed transcript 10, 11, 12, 13, 16, 17, 18 February, 30 April, 3 and 10 May 1948, pp. 6717–6824; 6886–6924; 6953–6956; 6988–7066; 7080–7153; 7156–7321; 12999–13012; 13036–13064; 13142–13168; 13174–13177; 13211–13224; and 14159–14167. Further extracts are reproduced in subsections E 3, G 3, H 4, I 7, J 4, K 3, L 3, M 3 and O 7 below.

the worst kind with members of the Catholic Center Party in public places. I saw that in November 1932, the Communist transportation strike in Berlin was carried out with the aid of the National Socialists, and also I had seen often enough in the newspaper that the recruiting of the National Socialists, or the propaganda for votes from the German farmers, was supported by attacks on big industry in general and Farben in particular, calling them cut-throats because they charged the farmers too much for nitrogen. I believe if an industrialist from an old industrial family heard all that, then that was enough.

Q. When did you join the Party?

A. In 1937.

Q. Were you a member of any Party organization before that?

A. At that time in Germany, one automatically became a member of various Party groups. For example, I was, of course, a member of the Association of German Chemists. This Association of German Chemists one day became the National Socialist Association of German Technicians. One could do nothing about that. I was a member of various rowing and alpine clubs and one day they became part of the National Socialist Association for Physical Culture. Beginning in 1934, everyone in industry had to become a member of the German Labor Front or else quit working. These things were automatic. One could not do anything about that.

Q. Up to 1937, you did not voluntarily join the Party or any of its branches?

A. No.

Q. Now, how did you come to join the Party in 1937?

A. In May 1937, the president of the Frankfurt Chamber of Commerce called upon me at my office and told me that the Gauleiter had told him to win me over to the Party. He gave me the customary recruiting forms and application forms to apply for membership. I expressed doubts and politely showed the president of the Chamber of Commerce out, and that settled the matter as far as I was concerned. At least that is what I thought. A few weeks later, I think it was a few days after the first of July, the same man, who happened to be my neighbor in Kronberg near Frankfurt, came to me one evening. He was rather excited. He said very reproachfully, "Why didn't you send in your application?" I said "Well, I suppose you have heard from my reaction that I wasn't very much in favor of it." Then he said to me that the Gau leadership of the Nazi Party [Gauleitung] in Frankfurt had called him up late at night and had urged him to see to it that my application was handed in the next morning, otherwise it would be too late. Probably the list was closed on 1 July or

some such thing. I continued to refuse, even though the man told me that the result might be that I would no longer be able to continue my work as a Vorstand member with Farben in Frankfurt. I said I would take these consequences upon myself. Then the president of the Chamber of Commerce said to me that he felt obliged to give me a piece of friendly advice. He said I no doubt knew that to obtain a visa for trips abroad one needed the approval of three offices—they were the municipal office, i.e., the Landrat, then the Chamber of Commerce, and third, the Gestapo. I no doubt did not know that it required only a hint from the Gauleitung to prevent my going abroad in the future by making the obtaining of a visa so difficult that it would not be possible for me to attend regular meetings. I admit that this fact influenced me and impressed me a great deal. I traveled a great deal at the time, especially abroad. During periods of living abroad I had developed a great personal inclination toward continuing my work abroad. I am an enthusiastic alpinist. I went to Switzerland or to northern Italy to the mountains every fall, and last but not least, I had a married daughter and grandchildren in Sweden, and I wanted to go on seeing them. This last consideration induced me to send in my application to join the Party, but with two definite conditions. First of all I stated, tell the Gauleiter that I will never swear to the Party program. We will not talk about the general Party principles, but the attitude of the Party toward the Jews, the invasion of religious questions, and the suppression of the free press in Germany, are points, alone which I will not endorse. Second, I have no intention, in this small town of Kronberg where I now live, of attending meetings of the local Party members and listening to lectures by people far below me socially and with respect to their education. I know that the latter condition was fulfilled because, up to the war, I was left alone as far as local invitations were concerned, and I never took the oath, and I never received a Party book.

Q. What dues did you pay as a Party member?

A. I paid the minimum dues of my Gau for my income group, never one pfennig more.

Q. Did you, or your wife, ever have any difficulties regarding dues or donations paid for you?

A. Yes. During the war, we had many unpleasant incidents in this town of Kronberg because, allegedly, my contributions were not high enough, and because I did not go beyond the minimum dues of my income group.

Q. For the sake of clarity, I want to ask, did you ever develop political activity within the Party—did you ever hold any office? Did you ever have any distinction from the Party?

A. No.

Q. Did you receive any advantages from the Party?

A. No, I don't know what that could have been. It is true only insofar as if I had not joined the Party, I would have had disadvantages.

Q. I am merely asking because at the end of one interrogation you said you had no "direct advantages from the NSDAP."

A. Yes, the reason for this answer was the following: I was asked whether I had had any advantages through the Party, particularly with regard to income, and I said no. Then the interrogator asked me (I believe it was something like this) now, if the Party had not done away with unemployment and had not introduced the autarchy, then, perhaps, your firm would not have earned so much money and your commission would have been reduced. That is where my answer came from.

Q. After 30 January 1933, did you write anything of a political nature—did you give any political lectures?

A. No, I never made any political speeches. If I ever made a speech, which was not often, it was about my own work, chemical engineering.

Q. Did you ever speak on the radio?

A. I believe it was in 1940 or 1941, I made a radio speech on modern chemical developments. This was to be transmitted to America.

Q. Did you have anything to do with big Party men? With whom and how often?

A. In the beginning of 1936, when the International Automobile Exhibition in Berlin opened, I talked to Hitler. On this occasion, I.G. Farben, for the first time, exhibited a number of samples, intermediates, and finished products of buna. This was the first time that it was exhibited to the public. Hitler visited the Farben booth and, since I was present, I was introduced, and I talked to him about ten minutes about buna and its quality, its price, and so forth. I never talked to him after that. In addition, I knew Ley, whom I met only once when I was introduced to him on some public occasion. I never spoke to him again. Once I visited Reich Minister Schwerin von Krosigk in connection with buna negotiations. I shall mention that again later. Another Reich Minister I knew was Schacht, whom I saw for the first time, I believe, in 1930, in New York when Schacht was making a speaking tour through the United States to bring it to the attention of the American public that Germany could not continue reparations payments. I saw Schacht socially a few times and later again at buna negotiations. I shall touch upon that again later too. Then I knew Minister Speer. I met him in September

1944 in Italy. And then, of course, I knew people like the Gauleiter of Frankfurt, and Keppler, the economic adviser of Hitler.

Q. Let me interrupt you. Something occurs to me about Keppler. Did Keppler ever invite you to attend a meeting of the so-called Circle of Friends of Himmler?

A. No.

Q. You were never present at such a meeting?

A. No.

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c. Testimony of Defendant Schneider

[Statement from the judgment concerning the personal history, positions, and affiliations of defendant Christian Schneider:

"*SCHNEIDER, Christian*: Born 19 November 1887, Kulmbach, Bavaria. Chemist. 1928–1937 deputy member of Vorstand; 1938–1945 full member of Vorstand and of Central Committee; 1937–1938 member of Working Committee; 1929–1938 guest attendant at meetings of Technical Committee, full member 1938–1945; 1938–1945 chief of Sparte I; 1937–1945 chief of plant leaders and chief counter-intelligence agent of Vermittlungsstelle W; manager of Ammoniakwerk Merseburg; chief of Farben's Central Personnel Department; member of control bodies of several Farben units.

"Member of Nazi Party; supporting member of SS; member of German Labor Front; member of Advisory Council, Economic Group Chemical Industry; member of Experts Committee, Reich Trustee of Labor."]

EXTRACTS FROM THE TESTIMONY OF DEFENDANT SCHNEIDER*

DIRECT EXAMINATION

DR. HELLMUTH DIX (counsel for defendant Schneider): First, Dr. Schneider, would you please briefly describe your position in Farben after 1933? I think that will bring us up to the time for recess.

DEFENDANT SCHNEIDER: In 1933 I was a deputy Vorstand member in the I.G. Farbenindustrie and deputy business manager of the Leunawerke of the Ammoniakwerk Merseburg G.m.b.H. In the latter position, I was coordinated with Dr. Dehnel, the then head of the Leuna plant. It was my duty to take care of the technical running of the Leuna plant, but when I took over the leadership of the then created Vertrauensrat, representing Dr. Dehnel, who was ill, I was also entrusted with responsibilities concerning social welfare. After Dr. Dehnel left because of sickness, in 1936, I took over the entire management of the plant as plant leader and business manager. In my capacity as deputy Vorstand member in Farben, I participated in the meetings of the Working Committee and the Technical Committee without, however, being a full member of these Committees.

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* Complete testimony is recorded in the mimeographed transcript 18, 19, 20, and 24 February 1948, pp. 7321–7524. Further extracts are reproduced in subsections D 4 and I 7 below.

When Dr. Selck left at the end of 1937, I, as his successor, became Hauptbetriebsfuehrer [chief of plant leaders] of Farben, and simultaneously, the head of the advisory council of the employers' organization, and of the so-called plant leader conferences. For that reason, I was then appointed a full Vorstand member, and I was called into the Central Committee. At the same time I also became a full member of the Technical Committee.

When Prof. Krauch was transferred to the Office for German Raw Materials and Synthetics, I became deputy chief in 1936 of Sparte I. The independent leadership of Sparte I, which included the fields of nitrogen, coal, and oil, was taken over by me in the spring of 1939. Shortly thereafter, responsibility for the oil department of this Sparte, without separation from the over-all organization, was assumed by Dr. Buetefisch. The coal department prior to that had been under the permanent and relatively independent leadership, particularly in technical matters, of Bergwerksdirektor [mine director] Dr. Scharf. It was affiliated with Sparte I mainly for reasons of financial control.

These were my positions before the outbreak of war. During the war this situation did not change, with one exception. In the spring of 1940, I became Chief Counterintelligence Officer [Hauptabwehrbeauftragter] of Farben.* After the American Army occupied Leuna, I remained in my position as plant leader, and on the 22d of June, 1945, by order of the American Military Government, I was, together with other scientists and technical experts, evacuated to the American Zone.

DR. DIX: That brings us to the conclusion of that chapter.

PRESIDING JUDGE SHAKE: The Tribunal will take its recess at this time.

(A recess was taken.)

DR. DIX: Please tell us briefly, Dr. Schneider, about your relationship with the NSDAP.

DEFENDANT SCHNEIDER: I never took any active part in politics because I was completely absorbed in my profession. I was connected with the German People's Party [Deutsche Volkspartei], and voted for it in the elections. I, as well as the entire management of Leuna, distrusted the National Socialist Party. After Hitler's seizure of power, the plant, probably because of this attitude, was in a very difficult position. The measures of the Party and its organizations, which were soon put into force, especially the complete reorganization of the relationship with

* See the extracts from the testimony of Defendant Schneider at the end of subsection D, "Propaganda, Intelligence, Espionage, and Related Matters."

the employees, the interference of the DAF [German Labor Front], and particularly of its subdivision, the so-called NSBO [National Socialist Factory Cell Organization], which played a special role in Leuna, severely affected my colleague, the then head of the Leuna plant, Dehnel, and brought about many altercations with the Party. No member of the plant management—I include the directors and the Prokurists—were members of the Party at the time. It was soon realized, however, that in view of the rapid development of the authoritative and uncompromising character of the Party, serious resistance to its measures would not only bring about personal disadvantages, but would also bring disadvantages for the plant, which was entrusted to us.

Therefore, in the course of time, it seemed wiser to us, and tactically more expedient, to find a *modus vivendi* with the Party and its organizations, which would permit a more or less tolerable relationship, and which would permit us to retain control of the plant, and to be able better to oppose excesses.

Even though I condemned many Party measures, such as intolerance in the church and racial questions, the destruction of trade unions, the abolition of most of the existing social institutions, as opposed to my inner feelings, I must nevertheless admit that the way in which the problems of unemployment and the improvement of the economic situation were attacked and solved, impressed me very much. On a man who, as plant manager and technician, had observed the catastrophic effects of the depression before 1933, who had had to turn 15,000 of his employees out into the street, and who had had to face the danger of closing down the big Leuna plant completely, this aspect of the National Socialist Party could not fail to make an impression.

The sensible measures taken with respect to food and, disregarding all the propaganda, the measures of the German Labor Front (DAF) in the social field, which in many respects were in keeping with the social tradition of Farben, also deserved recognition.

Therefore, in 1937, when the district leader [Kreisleiter] of the NSDAP in Merseburg approached me, as the entry into the Party was no longer blocked, and asked me to become a Party member, and when he said, "It is impossible for a manager of such a large plant as Leuna to remain out of the Party permanently," I could not refuse. These were not, however, reasons of ideology, but of expediency, which impelled me to take this step.

Even before I entered the Party, it was not possible for me, as plant manager of Leuna, to avoid joining certain Party organizations which did not require Party membership. For example, I was a member of the German Labor Front [DAF], the National

Socialist Public Welfare Association [NSV], the National Socialist Motor Corps [NSKK], the National Socialist Flying Corps [NSFK], and various other organizations in sports or in the professional field.

I was also a supporting member of the SS from the year 1933, or perhaps 1934, on. I am not sure of the exact time. At that time, a higher SS officer came to the then plant leader of the factory, Dr. Dehnel, and tried to influence or persuade him to have the various managers of Leuna entered as supporting members. He said that a large number of heads of other economic enterprises had already been recruited. Dr. Dehnel came to me, among others, and suggested that we should submit to this request.

As I have said, our relations with the Party were strained and it was again for reasons of expediency that we finally were induced to become supporting members of this organization.

We expected certain protection from this, but that there were no other reasons than this, is shown by the opposition of Dr. Dehnel to the NSDAP in general, as can be seen from Prosecution Exhibit 258, Document NI–7988.* As to the significance, and the later development, of the tendencies of the SS, we had no idea then. We never considered ourselves members of the SS. We did not take any oath. We did not attend any SS meetings. All we did was that every month our secretaries paid the dues.

If we had left the organization later, that would certainly have been considered an affront and would have brought about greater difficulties and disadvantages than if we had never joined at all, especially since at that time there was enormous tension between the Gestapo and the management of Leuna, as will be seen in the further presentation of evidence.

In the Party, too, and its affiliated organizations, I never held any office, but as plant leader of Leuna, I could not refuse the request of the Gauleiter or the Gauobmann, to cooperate on various committees of the Gau in the interests of Farben and my plant.

Thus I was a member of the circle of economic leaders [Wirtschaftsfuehrerkreis] of the Gauleiter, a member of the Chamber of Labor, of the employers' leader circle, of the economic advisory council [Gauwirtschaftsberater], and of the Chemistry Committee of the Gauleitung of the DAF; without, however, any official function, and without any oath. The head of the Chemistry Department of the German Labor Front sent me a request on behalf of Dr. Ley, to become deputy head of this office, which I refused because I did not want to subordinate myself to the Party

* This document, an affidavit of Hermann Fritz Ruther, is not reproduced herein. At one point in this affidavit, Dr. Dehnel is mentioned as having been "a consistent opponent of Hitler."

discipline. I incurred the displeasure of Dr. Ley and there were serious difficulties with the German Labor Front in questions of professional training, and I cite the fact that I was later removed as head of the Social Committee of the Economic Group Chemical Industry. This, I know for certain, was at the request of the DAF. This, I believe, was, in part, due to these circumstances.

Q. Then you are finished with these personal questions, Dr. Schneider?

A. Yes.

[At this point a number of affidavits and other exhibits on behalf of defendant Schneider were introduced in evidence.]

* * * * * * *

DR. HELLMUTH DIX: That concludes the presentation of book 8. I continue with the examination of Dr. Schneider and, following the order of the prosecution in the Trial Brief, I come to count one and the question of donations. According to the contention of the prosecution, Farben is supposed to have helped Hitler to come to power and to consolidate his power. There are various groups concerned here.

Q. Dr. Schneider, will you first speak about the donation of 400,000 marks in February 1933, for the election fund of the NSDAP, that is, after the seizure of power?

A. I have no knowledge of this donation. I also do not recall that it was discussed in the Working Committee where I was a guest.

Q. I refer to Document NI–12400, Prosecution Exhibit 1585; Document NI–2856, Prosecution Exhibit 1594; and Document NI–3807, Prosecution Exhibit 1595, in book 91. These concern payments to the Schroeder Banking House for Himmler.[1] What do you have to say about that, Dr. Schneider?

A. I did not know of these payments either. I am sure that they were not discussed in the Central Committee or the Vorstand.

Q. Now I come to the birthday presents to Goering mentioned in book 22 of the prosecution. What do you have to say about that?

A. These birthday presents to Goering were not discussed in either of these two bodies, either. I personally heard of a picture which was given to Goering. I believe I heard this from Dr. Krauch, but it did not occur to me that this present helped in the consolidation of the Nationalist Socialist power.

Q. I now refer to Document NI–1318, Prosecution Exhibit 834[2]

[1] During the war Farben made contributions of 100,000 reichsmarks annually to the Himmler Circle of Friends, an organization to which the defendant Buetefisch belonged. The only document to be reproduced (of those mentioned here by counsel) is NI–2856, in subsection C 4, above.

[2] Reproduced above in subsection C 4.

in book 46 regarding the payment of 100,000 marks to the Sudeten Relief Fund. What do you have to say about that?

A. As far as I know, this was not discussed either in the Central Committee or in the Vorstand. I had heard of it, through a circular letter of the office of the Central Committee, but only after the payment had been made, that is, on the same day.

Q. I now refer to Document NI–2795, Prosecution Exhibit 1046,* book 51, and would like to have you comment on the payment of 500,000 marks to the Sudetenland area. That was before the war.

A. As far as I know, this was not decided by the Central Committee. As I can see from the prosecution documents, it was made through the Central Committee office on the basis of a telegram from Schmitz to Hitler.

Q. And finally, will you please comment on the Adolf Hitler Fund and the Winter Relief Fund which are mentioned in several document books?

A. The Adolf Hitler and Winter Relief Funds, as far as I recall, were occasionally discussed in the Central Committee. The Winter Relief Fund was assigned to the various plants, but even the prosecution admits that these were assessments fixed by German industry.

Q. And then Farben had the plant donations [Werkspenden]. What do you have to say about them?

A. These were sums of money given to the local Party organizations. The plant managers had a certain freedom in approving them. The payments were reported to the Central Committee office monthly for bookkeeping purposes, but they were not reported to the Central Committee or to the Vorstand. They were donations to the SA, SS, NSKK, NSFK, the NSV, and various other organizations. These were customary everywhere in industry; they were collected either by the leaders of those organizations personally or on the occasion of special commemoration days, such as, for instance, the day of the SS. As we were always told, their purpose was for sport or for social welfare or office purposes. I do not recall what the amounts of the individual annual donations were at Leuna. I do recall, however, for instance, that the SA was building a riding academy. These donations were quite customary and we were not able to evade them without incurring political disadvantages for the plant.

I shall mention another donation on the occasion of the fiftieth birthday of Gauleiter Eggeling which was given by all of Central German industry on the urging of the president of the Gau Chamber of Economy [Gauwirtschaftskammer] in Halle. The dona-

* Reproduced in part above in subsection C 4.

tions were in proportion to the contributions to the Gau Chamber of Economy. The Farben plants of Central Germany, as far as I recall, had to pay a sum of 150,000 marks. Leuna's share I do not recall. All in all, in view of the importance of Farben and its plants, and in view of the fact that such donations were customary for all of German industry, I cannot see that this is anything unusual.

DR. HELLMUTH DIX: Then you have concluded your remarks about donations, I believe.

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d. Testimony of Defendant Gajewski

EXTRACTS FROM THE TESTIMONY OF DEFENDANT GAJEWSKI[1]

DIRECT EXAMINATION

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DR. VON METZLER (counsel for defendant Gajewski): Dr. Gajewski, now let's turn to another chapter of your affidavit which I just put to you.[2] You made no statements with regard to your political attitude, particularly your membership in the Nazi Party or one of its affiliate organizations, and therefore, in this connection, I would like to ask you, were you a member of the Nazi Party or of one of its organizations?

DEFENDANT GAJEWSKI: I was a member of the Nazi Party since 1933. I was not a member of any of the organizations of the Nazi Party, neither in the SA nor the SS nor in the NSKK or in the other organizations.

Q. Dr. Gajewski, in other words, you became a member of the Nazi Party after the seizure of power?

A. Yes.

Q. Tell me, Dr. Gajewski, what made you join the Nazi Party? What were your motives?

A. Well, the reason that made me join the Nazi Party was connected with my official position. As I have already stated, I then held this high position in the I.G. Farben. Besides, in the spring of 1933, I was just about to move from Berlin to Wolfen, and in connection therewith, the Betriebszellenobmann of the Berlin plant most urgently pointed out to me that a man in my position, as responsible manager of Sparte III and plant manager of the main plant Wolfen, absolutely had to be a member of the Nazi Party. That was absolutely in line with the information I had

[1] Complete testimony is recorded in the mimeographed transcript, 2 and 3 March 1948, pp. 8174–8333. Further extracts are reproduced above in section V C 3, and below in subsections L 3 e and M 5, and in section IX F 5, volume VIII, this series.

[2] Document NI-6429, Prosecution Exhibit 290, not reproduced herein.

from quite a number of other Berlin agencies. Information was again and again repeated, that now there was no shirking on my part.

Q. Well, tell me, Dr. Gajewski, did you go into the program of the Nazi Party, and did you scrutinize its aims, and what was, in general, your personal attitude towards this program? Will you please tell that to the Tribunal in a few brief words?

A. Well, there were quite a number of things in this program which I welcomed, and toward which my attitude was positive. In order to give you an example, I am thinking of the abolition of unemployment advocated by the Party. Unemployment at that time was the cause of the terrible situation prevailing in Germany, because this enormous unemployment which existed in Germany at that time had thrown millions of German workers into the worst conditions and completely demoralized them. Therefore, the program of reemployment seemed to me quite reasonable and found my full approval.

Q. Dr. Gajewski, were there points in the Party program against which you had objections and misgivings of a fundamental nature?

A. Yes, there were. I am thinking above all of the strong anti-religious trend, and above all, I am thinking of the racial theories of the National Socialists; but it is true that I was of the opinion that once the Party had come into power, and once they had the power firmly in their hands, then such radical tendencies would calm down.

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CROSS-EXAMINATION

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MR. AMCHAN: Now, Dr. Gajewski, you testified that because of your position in Farben, you had to join the Nazi Party. Now, is it not a fact that you took the initiative, and even insisted that your application for membership in the Nazi Party be dated back retroactively?

A. Yes, I can explain that. I did not say that I had to join; I said very clearly that the Betriebszellenobmann pointed out to me that it would not be a good idea to stay aloof; and I went down to the office and registered, and a few weeks or a few months later, I don't know how long it was, my Ortsgruppenleiter, who was an employee of mine, said to me he did not believe I had reported. I said "Wait a minute, I'll write to them. I have not yet received any membership card," or something like that. And then I said, "Tell these people I want it dated back to the time when I registered." I didn't know at that time that the cards of

all those who registered in March were dated May; that was the reason. Nothing else. All the people who registered at that time received cards that were dated 1 May. But I never was forced to join. I didn't say that.

Q. Were you active in Party affairs of the Nazi Party?

A. No.

Q. Did you attend the Party Rallies at Nuernberg?

A. Twice, yes, but I should like to remark that I was not a guest. I lived in private quarters, once with my wife at Director Voss', and once I was there with Dr. Pistor, but never as a guest, just privately. I was interested in it.

Q. Is it not a fact, Dr. Gajewski, that at the Party Rally in Nuernberg in 1937, you arranged for a special escort by the SS; is that a fact?

A. No, I know nothing about that.

Q. I show you Document NI–13568, which we offer as Prosecution Exhibit 1950.* I ask you to please look at the second page, your letter of 6 September 1937, to Director Voss, and I ask you whether or not that refreshes your recollection that you arranged for an SS escort at the Party Rally in Nuernberg in 1937.

DR. VON METZLER: One moment, Mr. President, I object to this question; it is not relevant.

PRESIDING JUDGE SHAKE: Just a moment, don't answer it. Go ahead.

MR. AMCHAN: As I recall the witness' testimony on direct examination, if Your Honors please, he went into some length on his Party position and the fact that he had no sympathy with the SS, of his difficulties with the SS as alleged, and it seems to us that that field of inquiry is open to us on cross-examination. It certainly is a matter of credibility.

A. I did not say—

PRESIDING JUDGE SHAKE: Just a moment. Did you have something to say?

DR. VON METZLER: Mr. President, I don't think that it is relevant to state where the witness was living during his stay at the Nuernberg Party Rally. I think that such trifles really are not of any importance in connection with judging the crimes which are charged here.

PRESIDING JUDGE SHAKE: The objection will be overruled.

A. Mr. Prosecutor, before I go into this question—which, by the way, I don't understand—I would like to remark that I did not say that I had trouble or difficulties with the SS; I said I had trouble with the Gestapo. I cannot recall saying anything about the SS either yesterday or today. Now, as to this letter,

* Reproduced above in subsection C 4.

I don't find anything about the SS in it. Maybe you gave me the wrong document.

Q. We will show it to you in a moment. Do you see the letter—your letter to Director Voss of 6 September 1937?

A. Oh, yes; I was alone, quite alone, and I was told that at the city precincts I was to be assigned an SS escort to be conducted into the city. But I believe that that was customary. I didn't ask for an escort especially; that is not true. People were escorted from the city limits after showing their pass, I believe; that is the way it happened.

Q. How many people received SS escorts to the Party Rallies in Nuernberg–

A. I don't know.

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MR. AMCHAN: Now, Dr. Gajewski, if I understood you correctly, you testified that you disapproved of the Nazi racial doctrine, and that, at great personal risk, you befriended various Jewish persons, of whom you submitted various affidavits in support. Were these persons strangers to you?

A. They were employed by me. They were acquaintances of mine.

Q. Were they friends?

A. Friends? No. They were chemists who worked in my plant.

Q. Well, do you recall Dr. Ollendorff? Was he a close friend?

A. Dr. Ollendorff? Yes, Ollendorff.

Q. That is the fellow whose affidavit you submitted. Was he a close friend of yours?

A. Close friend is saying too much. He wasn't, really. He had been a colleague of mine on the Vorstand.

Q. What was the nature of the assistance that you rendered to him where you put yourself out at great personal risk to befriend him?

A. I went to Kriminalrat Frank of the Gestapo, personally, and then I believe his sister-in-law came to see me several times; and I told her that when she went to the Gestapo—she went there frequently to get him released—she was to make use of the fact that Dr. Ollendorff had no secrets from us and he could, therefore, be released. There was no reason for keeping him under arrest because of the industrial danger. I wrote a letter myself to the Gestapo at Halle. I took a special obligation upon myself for Dr. Ollendorff because of certain tragic circumstances in the nature of his arrest.

Q. Now, Dr. Gajewski, is it not a fact that when your colleague of the Vorstand, Dr. Ollendorff, came to you as a friend and told you very confidentially that because of his Jewish an-

cestry, he was going to emigrate from Germany, having told you that in confidence, that you thereupon informed the Gestapo to arrest him and search his house—is that not a fact?

A. No. May I explain that? It was like this. Dr. Ollendorff did not tell me that in confidence. It was generally known that he was going to emigrate. I talked to Geheimrat Bosch about it. He said to me, "Be careful. See to it that no 'know-how' gets into other countries in this way or you will be in trouble." We said, "There has to be a search of Dr. Ollendorff's house, so that we are safeguarded in that respect." That was all we did.

Q. Now I show you Document NI–13522, which we offer as Prosecution Exhibit 1957,[1] and I ask you whether that does not refresh your recollection that on the same day when Ollendorff told you that he was going to emigrate from Germany, you wrote the Gestapo and told them to arrest the man and search his house? Does that refresh your recollection?

A. That is not the case. I have already explained to you what we did. There is no need to refresh my recollection. Dr. Ollendorff did not tell me on the same day; it was quite a while beforehand. It wasn't on the same day. Then it was through my efforts that Dr. Ollendorff was released because it turned out that Dr. Ollendorff didn't have any material.

MR. AMCHAN: We have no further questions.

DEFENDANT GAJEWSKI: I'd like to point out that this was our duty in such a case. Dr. Ollendorff was a "secret-bearer" [Geheimnistraeger] of the first rank.

MR. AMCHAN: One more question. It is not a fact that Ollendorff was not in the firm for 16 years prior to that date?

A. Yes, but he always received our reports and experiences.

Q. One more question. Did you ever tell Ollendorff that you reported him to the Gestapo and ordered his arrest?

A. No, I didn't.

Q. And is that the same Dr. Ollendorff whose affidavit you submitted?[2]

A. Yes.

MR. AMCHAN: No further questions, if Your Honor please.

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REDIRECT EXAMINATION

DR. VON METZLER (counsel for defendant Gajewski): The prosecution also touched upon your relations with certain Jewish employees from whom we have submitted a number of affidavits.

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[1] Letter of 25 November 1938, reproduced above in subsection C 4.

[2] Affidavit of Gerhard Ollendorff, (*Gajewski 4, Gajewski Def. Ex. 4*) reproduced below in subsection C 7 *b*.

Dr. Gajewski, in connection with the prosecution's question, I want to ask you, were you friendly with those Jewish employees or closely acquainted with those people whose affidavits we have submitted, or were any of them your particular friends?

A. None of them were friends of mine. I only became acquainted with the chemists professionally. Of course, I knew Dr. Ollendorff better because he had previously been a Vorstand member. Then, of course, I knew Professor Eggerth very well, who was married to a Jewess, and I knew Professor Eggerth's wife very well, too. Much as I dislike talking about these matters, I can properly claim that it was I who prevented Frau Eggerth's deportation to Theresienstadt [concentration camp]. It was I, I alone and solely I, who prevented this deportation.

Q. I now turn to the Ollendorff case once more. Dr. Gajewski, Herr Ollendorff was a member of the Vorstand of Farben?

A. Yes.

Q. The prosecution has submitted correspondence from which it drew certain conclusions about your conduct towards Mr. Ollendorff. The prosecution contends, on the one hand, that his house was searched upon your instigation. If I understood you correctly, you admitted that this search of Ollendorff's house was made at your instigation?

A. Yes. It was my duty to do that, much as I regretted it and much as I felt deeply the tragic situation. I knew that Mr. Ollendorff was a "secret-bearer" [Geheiministraeger] of the first rank.

Q. You say that Herr Ollendorff was "secret-bearer" of the first rank. What does that mean?

A. This expression "Geheimnistraeger" means a person who is in possession of very important industrial secrets, it was one's duty to guard these secrets and to see to it that such removal of secret material did not take place. As a result, upon proper reflection—and after discussion with Bosch, I want to emphasize that, too—I requested that his house be searched. I did not request that he be arrested.

Q. Just one minute. You are now talking about a discussion that took place with Bosch. Did Bosch give you any instructions to do anything of that kind, or what happened?

A. No, I would not assume that he gave me any instructions to that effect. Bosch said, "Gajewski, be careful, you know what you have to do." I understood that hint.

Q. Well, you say that the search of this person's house was undertaken upon your instigation because he possessed important secrets?

A. Yes.

Q. Not for racial reasons, or because you were an enemy of his? May I ask in that connection, did you assist him in his emigration?

A. In answer to your first question. It is out of the question that I caused his home to be searched because he was a Jew. It is very tragic, in view of my attitude towards the Jews. My chief was a Jew, and I helped his daughter and employed her at the AGFA Co. when it was already very difficult to do anything of that kind. I kept her in that position until she could emigrate to Kenya. I want to emphasize once more, it was very tragic that I had to have a house search conducted here, and it was all the more tragic because that house search resulted in his subsequent arrest. You can imagine that I, of course, did everything within my power to make up for this unintentional misery that I caused. I went to the Gestapo personally—and you don't know how difficult it is when you have to go to the Gestapo as a Party member and have to intervene in favor of a Jew. Nobody knows that unless he has been in such a situation. But I did it, and did everything within my power to have him released. Herr Ollendorff was in prison only 4 or 5 weeks; I talked to him afterwards. He wasn't badly treated. I don't want to say that he was very happy, but he wasn't badly treated. It was, of course, my duty then, more than before, to do everything within my power to get him abroad. I did that as far as I could. I wrote to the ANSCO in Binghamton, New York, on his behalf to the effect that when Ollendorff went to Brazil they should give him financial assistance and a contract as an associate. Geheimrat Schmitz got in touch with me and, I believe, also helped him in that connection. This misfortune certainly touched me deeply and also my colleagues and my associates. It was horrible.

Q. Dr. Gajewski, I want to clarify definitely that you are now stating under oath that you did not intentionally cause Mr. Ollendorff's arrest

A. I am under oath anyhow, but if this is proper then I shall reiterate once again under oath that, of course, I did not want this, and the letter does not contain anything about arrest. The letter merely says "We want to have his house searched." Nobody regretted more than I that this affair took such a horrible turn.

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e. Testimony of Defendant Haefliger

[Statement from the judgment concerning personal history, positions, and affiliations of Defendant Paul Haefliger:

"*Haefliger, Paul*: A Swiss national, born 19 November 1886, Steffisburg,

Canton Bern, Switzerland. Commercial school graduate. Retained his Swiss citizenship and served as honorary Swiss Consul in Frankfurt from 1934–1938; acquired German citizenship in 1941 and relinquished it in 1946. 1926–1938 deputy member of Vorstand; 1938–1945 full member of Vorstand; 1937–1945 member of Commercial Committee; 1938–1945 member of Chemicals Committee; 1944–1945 vice-chairman and deputy chief for metals of Sales Combine Chemicals; member of Farben's Southeast Europe, East Asia, and East Committees. Chairman or member of control groups in several Farben units, including concerns in Germany, Austria, Czechoslovakia, Norway and Italy.

"Was not a member of the Nazi Party but was a member of the German Labor Front."]

EXTRACTS FROM THE TESTIMONY OF DEFENDANT HAEFLIGER[1]

CROSS-EXAMINATION

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MR. SPRECHER: You testified on Friday that you admired the Swiss nation, with its democracy and its peaceful policy. As a matter of fact, before the last war broke out, did you not express yourself as admiring fascism in Italy and nazism in Germany?

DEFENDANT HAEFLIGER: I know what you mean. A telegram was sent to our representative at Milan. Our representative congratulated us on the seizure of power in very flowery terms, and we had to answer him. I believe the answer was very sober compared with his flowery congratulatory telegram. That was just a matter of politeness; nothing else.

Q. Now in that connection I introduce NI–7387, which will become Prosecution Exhibit 2005.[2] This is a letter from you to Ferrario in which you use the first person and not the language of a firm or a collective approach. I have no further questions about it.

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REDIRECT EXAMINATION

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DR. VON METZLER (counsel for defendant Haefliger) : I am now turning to Document NI–7387, Prosecution Exhibit 2005. This deals with a letter which you wrote to Mr. Carlo Ferrario on the 22nd of March 1933. At first, tell me who was Mr. Carlo Ferrario?

A. From the address you can see that he was "Grand Ufficiale de Labor"; translated into German this would be like "Wirklicher Geheimrat" [Acting Privy Councillor]. Apart from that, Carlo

[1] Complete testimony is recorded in the mimeographed transcript 12, 15, 16, 17 March, and 11 May 1948, pp. 9064–9250; 9433–9464; and 14293–14307. Further extracts are reproduced below in subsections I 7, N 5, and O 7.

[2] Reproduced above in subsection C 4.

Ferrario received the title "Cavaliere de Laboro"; this is the highest title which was ever granted by Mussolini to industrialists.

Q. My next question, Mr. Haefliger, what was Mr. Ferrario's position in professional life? What firm did he own?

A. Ferrario was the sole owner of the important firm for chemicals, the Acienda Di Prodotti Chimici, which had numerous connections with Great Britain and other countries. A letter to him, therefore, could be considered as official. I regret that the letter of 10 March 1933, from him to us, which I am sure was phrased in very elaborate terms, has not also been submitted. In that letter, he congratulates us on the occasion of the change of the regime in Germany and, in my answer, I naturally couldn't express what my personal thoughts were. At any rate, in 1945, the interrogator asked me about this, too; he had this letter of Ferrario before him, and he then laughed and put it aside.

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f. Testimony of Defendant Kuehne

[Statement from the judgment concerning personal history, positions, and affiliations of Defendant Hans Kuehne:

"*KUEHNE, Hans*: Born 3 June 1880, Magdeburg, Germany. Chemist. 1926–1945 member of Vorstand and of Working Committee until 1938; 1925–1945 member of Technical Committee; 1933–1945 chief of Works Combine Lower Rhine; 1926–1945 member of Chemicals Committee; plant leader of Leverkusen plant; officer or member of Aufsichtsrat in numerous Farben concerns within Germany and 8 in 5 other countries.

"Became a member of the Nazi Party in 1933 but was expelled shortly thereafter and not reinstated until 1937; member of German Labor Front; member of groups in economic, commercial, and labor offices of the Reich and local government."]

EXTRACTS FROM THE TESTIMONY OF DEFENDANT KUEHNE[1]

DIRECT EXAMINATION

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DR. LUMMERT (counsel for defendant Kuehne):

Q. Dr. Kuehne, I should now like to turn to the question concerning count one of the indictment. The prosecution charges the defendant with an alleged alliance of Farben with Hitler and the Nazi Party. First, tell me what was your relationship with the NSDAP?

A. Even before 1933, Dr. Ley,[2] who later became Reichsorgani-

[1] Complete testimony is recorded in mimeographed transcript, 25, 30, 31 March; 13 April; 7 May 1948; pp. 10078–10111, 10120–10208, 10215–10275, 11280–11287, 13840–13858. Further extracts reproduced in subsections G 4, and H 4.

[2] Dr. Robert Ley was indicted in the IMT case. He committed suicide before the arraignment.

sationsleiter of the NSDAP and leader of the German Labor Front, asked me repeatedly to join the Party. For seven years, Ley had been active as a chemist at the Leverkusen plant, but in 1927, he was dismissed because he insulted our Aufsichtsrat members who were Jewish; in particular, Mr. Warburg. Dr. Ley, however, repeatedly came to Leverkusen after his dismissal, because he had his family there, as well as many friends. Before 1933, I always objected to entering the Party because I did not want to belong to a party which was so strongly opposed to the government. After Hitler became Reich Chancellor in the coalition government, and the NSDAP therewith assumed powers of government, the reason for my refusal was no longer valid. When Dr. Ley, in the spring of 1933, appeared at my place again and asked me to join the Party, I accepted the membership. Shortly after my declaration of willingness to join, I fell ill, and I had to go to Aachen for a number of weeks in order to be cured there. When I was again well enough to go out, the Jewish shops in the vicinity had been demolished only one day before that. I would have preferred at that point to withdraw my membership, but when on the next day I arrived home, my temporary admittance into the Party was already there. At that time, I could not reject this admittance without running a certain danger. My inner reasons which prompted me to join were the following: During the preceding years, I had to witness the disunion of the various parties and the inability of the Reichstag to achieve a practical parliamentary majority. There were 36 parties which split Germany politically. I particularly welcomed the plan of the NSDAP which appeared in the spring of 1933, to eliminate unemployment by launching new projects, by building Autobahnen, and by new constructions. At that time, and still, today, I considered the mere payment of unemployment relief monies to unemployed people, as practiced before 1933 by the governments of Germany, as a great social mistake, because the person thus supported gets used to doing nothing and loses his skill. In Leverkusen, it happened that workers with many children approached me and asked me to be dismissed, because if unemployed, they would earn more money, in view of the fact that they received additional money for their children, which was more than they would earn by working in our plant. In particular, however, I welcomed the intention to give us this destructive struggle among the classes, and I welcomed the intention to create a sound relationship between employers and workers. Hitler's book, "Mein Kampf," I had not read, but I naturally knew the NSDAP program from reports in the newspapers and from articles which I had occasion to read. As far as this pro-

gram represented radical views, for instance, concerning Jews, I was convinced at the time that these theses were merly used for propaganda purposes, and that at a later date they would adjust themselves to a more reasonable standard when the NSDAP would have risen to a responsible governmental party. In my activity as head of these large plants, I have personally experienced that the most radical elements, when placed in a responsible position, become sensible. In the same way, I considered it to be quite certain that the radical and less educated elements of the Party would be pushed into the background because they would not be capable of the management of responsible governmental agencies, and I hoped that Hitler would make use of better counsel. At this point perhaps I may point out that other people in Germany hoped similarly.

In the material which was submitted by the prosecution—I am referring to document book III, NI–9784, Prosecution Exhibit 57,* Stamp: Special United States Senate Committee—a letter from du Pont is cited; that is the report by Mr. Crane about a visit to Mr. Bosch. It has repeatedly been mentioned here that Mr. Bosch, that is to say, Bosch of Farben, was a rabid opponent of Hitler; and Mr. Crane writes as follows, and I quote: "Professor Bosch confirmed our views to the effect that times in Germany at present are very difficult and that the last weeks were particularly difficult for industry. Whereas the revolution of 1918 consisted of the upper and middle classes against the lower classes, the present revolution consists of the lower and middle classes against the upper class and industry. Just now it is a question of fascism and bolshevism, and industry must support the present government in order to avoid further chaos. Hitler at first did not consult industrial leaders, but during the last weeks he has shown his stability by curbing the more extreme elements of the Party and bringing the industrial leaders into consultation with him." I quote further from Mr. Crane's letter: "After the luncheon, we visited Dr. Carl von Weinberg, who is now 73 years of age and daily visits the office in order to consult with the active members of Farben. Dr. von Weinberg also discussed the situation prevailing in Germany, and although he is a Jew, has given the movement his full stamp of approval."

I also had a number of Jewish friends who at the time hoped as I did, that the radical measures would cease, and that they would give way to more moderate views. Neither I nor many others who at the time joined the Party could suspect that a number of years later Hitler would become crazy and would throw Germany and a large part of the world into disaster. The or-

* Not reproduced herein.

dinary German, in my opinion, could not suspect that at the time, in 1933. As a matter of fact, in the spring of 1933, I was impressed by the fact that the NSDAP tried to bring about an adjustment concerning the attitude of the workers toward the employers. They always stressed the necessity for cooperation between manual laborers and the intellectual workers, and this was always in line with my social views. Naturally, my initial hopes were very soon disappointed. The first attacks against Jews and Jewish property disappointed me greatly. Then followed attacks in the cultural field and we witnessed all the excesses by the Labor Front. I was almost glad when in the fall of 1933 I was one day informed that I was dismissed from the Party *cum infamia* [with shame], because it had been found that I was a Free Mason of the highest grade. The Free Masons' lodges in Germany had been dissolved in the meantime to my regret. I joined the Free Masons in 1917 and reached the highest grade. When entering into the Party I truthfully stated these facts as I was obliged to but, as I said, half a year later I was expelled.

Q. May I introduce one question here? The prosecution has submitted a photostatic copy of your NSDAP Membership card. That was Document NI–6711, Exhibit 1619,* document book 66, page 23 of the English, and page 23 of the German text. In this card your expulsion from the Party in 1934 because of your membership in one of the Free Mason lodges is noted down. The note, however, is so brief that it does not permit a definite conclusion as to the date of your expulsion from the Party. Could you perhaps clarify the date?

A. I believe that the difference is rather negligible, but my memory could deceive me. All my material vanished in 1945 when I had to leave my house. My safe was opened and all property therein also disappeared, but I do remember as a result of other incidents that my expulsion from the Party took place in the fall of 1933. The difference in the dates I can only explain by the fact that I paid my dues three months in advance, and it is possible that at the registration office in Duesseldorf the expulsion is dated ahead to 1934, because I had paid my dues up to the 31st of December, 1933. The card shows furthermore that up to the summer of 1939 I remained expelled from the Party. At that time a general decree of Hitler was promulgated granting pardon to all former members of Free Mason lodges; that decree was dated the 22nd of July, 1939; this decree is also entered into the card submitted by the prosecution and it says there that the expulsion was made invalid as a result of that amnesty. Dr. Ley

* Not reproduced herein.

endeavored to get me back into the Party, and when he told me of that fact, I could hardly reject his efforts on my behalf, especially in the year 1939. In the meantime, I had experienced many disadvantages and difficulties as a result of not being in the Party, both in my capacity of plant manager and as a private person. As a result of these purely external reasons, I could hardly reject the efforts of Dr. Ley on my behalf. The pardon of Hitler, however, specified that as a former member of a lodge I could never hold an office in the Party in the future. The Party had always shown a great deal of suspicion towards me and that also held true of the German Labor Front. This suspicion did not change during the following years. Again and again I had difficulties, even when, in 1940, I think, I was appointed to the Vorstand of the Association of German Chemists. Dr. Ley's part in that respect was rather peculiar; on the one hand there was no relation of confidence between us in any way at all; on the other hand, Dr. Ley in some way was attached to Leverkusen, and he expressed his attachment on the occasion of his various visits to the city of Leverkusen. In his speeches he attacked Farben and he again and again grumbled about his dismissal in 1927. In reality, however, he was proud of the fact of having belonged to this most beautiful plant of the German chemical industry. At every opportunity, he emphasized that he was a chemical engineer and, moreover, still respected the directors of that plant. Quite often Dr. Ley assisted me whenever I had difficulties with small Party functionaries. On the other hand, I repeatedly had violent clashes with Dr. Ley when I tried to criticize Party measures.

In spite of the danger, I always criticized the excesses of the Party during all the years that followed. I personally always openly rejected and disavowed these exaggerated measures of the Party. Mainly, I intervened on behalf of many racial and political persecutees. My defense counsel will be able to submit a number of affidavits in that connection. I must confess that only reluctantly I procured these affidavits because I did nothing but what every ordinary human being considers to be a matter of course. Personally, I was supervised and controlled by the Gestapo which also checked my correspondence. That they did mainly because of my pro-Jewish attitude. Among my best friends there were many Jews, especially in the field of music to which I am very much attached. For a long time I supported the well-known Koelnische Zeitung in its fight for independence from the Party and the Party press. I supported them by making considerable money contributions from the Leverkusen plant. I never was active for the Party. Likewise, to the considerable

annoyance of Party functionaries, I never visited any Party meetings as long as I was a member. I only paid the prescribed Party membership dues in 1933, before my expulsion. I never received a book showing my membership.

Q. Dr. Kuehne, the prosecution has charged that through a notice in the Farben plant, Leverkusen, dated the 25th of April 1933, you had expressed your sympathy with the Party. This is Document NI–6960. Prosecution Exhibit 82,[1] document book 4, page 79 of the English and 104 of the German text. Would you briefly explain that?

A. I must confess that this charge of the prosecution remains incomprehensible to me. This notice, which I had to publish upon the request of the government, commences with the words, and I quote: "The government requests that the 1st of May be celebrated as the holiday of industrial labor." Merely this introduction shows very clearly that I only transmitted an order by the government. The next sentence reads, and I quote: "Since it is essential that, on this day, all of Germany stand behind its government, we are asking all colleagues and associates to join the rally on this day of demonstration and thus prove our will to cooperate." The Party is not mentioned here at all. I only speak of the government, which, if I remember correctly, at that time was still a coalition government; out of twelve or fifteen Ministers there were only four National Socialists. I don't believe I need make any further explanation. The last sentence of my notice shows that the other national offices of the city of Leverkusen-Wiesdorf participated in the meeting of the NSDAP. I would like to point out something to the Tribunal. We, the plant leaders, in the sense of the Law for the Regulation of National Labor [Arbeitsordnungsgesetz],[2] had to assemble our employees on every 1st of May and it was our duty to make a patriotic speech to them. That was our duty.

Q. Dr. Kuehne, the prosecution has furthermore offered a letter into evidence, dated the 19th of March 1933. The letter was addressed to Dr. Wahl and that is Document NI–1091, Prosecution Exhibit 83,[3] document book 4, page 80 of the English and 105 of the German text. The letter bears no signature. The incriminating sentence of that letter reads, and I quote: " * * * we also would welcome to have a suitable representative of National Socialist aims within the National Socialist Factory Cell Organization [N.S.B.O.] of our plant in the near future." How can you explain that?

A. I should like to point to one word in that sentence: "A

[1] Reproduced above in subsection C 4.
[2] Reproduced below in subsection E 2.
[3] Not reproduced herein.

suitable representative." Immediately after the seizure of power by Hitler—that is, immediately after January 1933—a number of Party members who behaved rather wildly tried to get hold of the reins among the workers, and I am referring to the so-called plant council [Betriebsrat]. We called these people the 150 percent Nazis. I too, had to fight against these people. At first, of course, I didn't know what the organization within the Party was like, but I did know that one of our chemists, a certain Dr. Wahl, who was a very reasonable man, held some sort of position in the Party. I remember very well that I called for him and asked him to see to it that these 150 percent Nazis should disappear and that only reasonable and suitable people of the Party should be represented in the plant council. The Party after all demanded that they fill the position in the plant council. I think that this letter merely confirmed our conversation. Whether or not the letter was actually sent off I no longer remember, but, at any rate, I do remember the incident very well which might have preceded this draft for a letter.

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CROSS-EXAMINATION

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MR. SPRECHER: Now, there has been certain evidence introduced in this trial purporting to show the I.G. Farben at one time or another was both praised, on the one hand, and criticized, on the other hand, by different official leaders of either the Party or the Third Reich.

On this point let me ask you this. Didn't the Reich Minister of Economics, Walter Funk, state in your presence during the war that without I.G. Farben, Germany would never have been able to wage or to conduct the war?

DEFENDANT KUEHNE: No, this remark was made by me. I remember the conversation exactly. It took place at Duesseldorf and the meeting was on the occasion of Dr. Poensgen's birthday. After this birthday feast, we sat together and had coffee and, as I remember, Reichsminister Funk was sitting at the table, also State Secretary Kleinmann, and then there was Mr. Pleiger, Mr. Zangen, and I, and a few other gentlemen. On this occasion, Mr. Pleiger attacked Farben in a very shameful manner. He accused us that we, so to speak, sabotaged the war. He pointed to the Hermann Goering Works and pointed out what they did for the war effort. I was shocked, and I told him in strong terms: "Just consider this," I said. "If we didn't have any buna, and if we didn't have any gasoline or any nitrogen, then Hitler would not be in a position to wage this war." Then Funk said, "Yes, what Dr. Kuehne has just stated is quite correct.

These are matters of great importance for us." That, I think, is what you mean.

(Recess)

Q. Dr. Kuehne, concerning this meeting about which we were just speaking, was that a special meeting which had been arranged by Gauleiter Florian?

A. I could not tell you that with certainty any longer. It was in honor of the birthday of Dr. Poensgen, who was then 70, but who organized the meeting I cannot tell you.

Q. Now was Wilhelm Zangen then the President of the Reich Group Industry?

A. Yes, I think so.

MR. SPRECHER: Now without comment in that connection, we would like to introduce Document NI–15027, which will become Prosecution Exhibit 2064.[1] This is a copy of your letter to Geheimrat Schmitz concerning this meeting, written on the 18th of October 1941.

Q. Was it customary for you, Dr. Kuehne, to communicate with Dr. Schmitz concerning any contacts you had with leading government officials concerning the affairs of I.G. Farben?

A. Not in general. However, for me this matter was of such extreme importance that at that time one of the most powerful men in the field of industry, Herr Pleiger, had made such an attack against IG that I thought it was necessary to report it to Herr Schmitz.

Q. Pleiger was the Chairman of the Vorstand of the Hermann Goering Works; is that right?

A. Yes.

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Q. Now, several documents, including some affidavits, have been introduced in this trial involving Carlo Ferrario of Italy, including, for example, our Document NI–7387, Prosecution Exhibit 2005.[2] Did you and Ferrario have a discussion with Mussolini during the war?

A. Yes.

Q. And at whose initiative was that conference with Mussolini arranged?

A. As far as I know, the initiative was taken by Mussolini, who, on account of the intervention of Parodi, the great Italian industrialist, who was a friend of his, had heard that I had invented a new industrial process which would double the sulphur production in Sicily and prevent the damages suffered there by

[1] Reproduced in part above in subsection C 4.

[2] Letter from defendant Haefliger to Ferrario, 22 March 1933, reproduced above in subsection C 4.

agriculture. Mussolini had taken an interest in that matter and Carlo Ferrario informed me that Mussolini desired to talk to me.

Q. Did you get an award from Mussolini as a result of your conference?

A. Yes.

Q. Was that the so-called Commandatore?

A. Yes, that was the title, Commandatore.

Q. That was the same title which Ferrario had from the Italian Government, is that right?

A. No, Ferrario had a higher rank. He was Grande Officiale, Grand Officer, if I remember well.

Q. In connection with your mission, your conference with Mussolini, I would like to introduce in evidence Document NI–15026, as our Prosecution Exhibit 2066.* This is your report to Dr. Schmitz concerning this matter, and I think it lends a little clarity to several matters. Now, just after you had this talk with Mussolini, didn't the Leverkusen plant receive an award by Hitler?

A. Well, yes, but I don't know where the connection is between that award and that visit with Mussolini. There was absolutely no connection.

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REDIRECT EXAMINATION

DR. LUMMERT (counsel for defendant Kuehne): Dr. Kuehne, in connection with Exhibit 2064, you were questioned by the prosecution. This is your letter to Dr. Schmitz of 18 October 1941, with your report about the birthday celebration for Mr. Poensgen. First of all one question for explanation. Who was Mr. Poensgen?

DEFENDANT KUEHNE: Mr. Poensgen was the Generaldirektor of the Vereinigte Stahlwerke.

Q. After reading your letter of October 1941, can you tell me who arranged this birthday celebration?

A. The birthday celebration was arranged by the Industrial Club of Duesseldorf. Subsequent to that Party Gauleiter Florian extended the invitation to dinner and afterwards the Minister of Economics Funk extended an invitation for tea.

Q. When you rejected the attack of Mr. Pleiger on Farben, saying that without buna and gasoline, Hitler could not have started the war, did you mean that Farben invented buna and gasoline to permit Hitler to wage aggressive warfare?

A. No. Certainly not. At any rate, these substances were invented long before the First World War, at least as far as

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* Letter of 15 May 1942, reproduced above in subsection C 4.

rubber was concerned. Synthetic rubber had been produced for the first time in Elberfeld in 1906. Nitrogen, also, had been invented before the First World War. If these inventions were then misused for war purposes, the inventor can hardly be blamed. Even the invention of synthetic gasoline came about at the beginning of the 1920's, soon after the end of the First World War. All these inventions were only intended for peaceful purposes. At that time, I was only referring to the attack of Mr. Pleiger against Farben. I wanted to reject that attack by pointing out Farben's merit in the buna and gasoline field. Not only was it unpleasant, it was even dangerous, that, in the presence of such prominent Party people as the Gauleiter and the Minister of Economics, any such attack was made against Farben which somehow put the firm into the light of having committed sabotage. I was glad that afterwards I received the approval of Mr. Funk. I should like to add in that connection that I personally have repeatedly made the statement that I wished we had not invented buna and nitrogen, because then Hitler perhaps would not have been able to wage this unfortunate war. But the best rubber and the best gasoline is of no use if one has no guns, and no armored cars and submarines to wage war. Farben, at any rate, did not make these inventions in order to wage an aggressive war together with Hitler.

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g. Testimony of Defendant Kugler

[Statement from the judgment concerning personal history, positions, and affiliations of Defendant Hans Kugler:

"*KUGLER, Hans*: Born 4 December 1900, Frankfurt/Main. Doctor of political science. Not a member of the Vorstand; 1920–1945, Prokurist (with title of "Director"); 1934–1945 member of Commercial Committee; 1937–1945 member of Dyestuffs Application Committee; 1934–1945 chief of Sales Department Dyestuffs for Hungary, Roumania, Yugoslavia, Czechoslovakia, Austria, Greece, Bulgaria, Turkey, the Near East, and Africa; 1939–1945 member of Farben's Southeast Europe Committee; 1942–1944 member of Commercial Committee of Francolor, Paris.

"1939–1945 member of Nazi Party; 1934–1945 member of German Labor Front; 1938 and 1939 Reich Economics Ministry commissioner for Aussig-Falkenau factories, Czechoslovakia, and manager of said plants and member of the Advisory Council of the Aufsichtsrat, 1939–1945."]

EXTRACT FROM THE TESTIMONY OF DEFENDANT KUGLER*

DIRECT EXAMINATION

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DR. HENZE (counsel for defendant Kugler): Mr. Kugler, the prosecution deals with the contributions made by Farben. Since

* Complete testimony is recorded in the mimeographed transcript, 27, 28, and 29 April 1948, pp. 12538–12597; 12626–12705; 12778–12787; and 12815–12842. Further extracts are reproduced in subsection O 7.

you were not on the Vorstand, we need not go into this. Because of your work in 1938 in Czechoslovakia, I should merely like to ask you, did you have anything to do with the approval of the contribution of 100,000 marks for the Sudeten Relief project?[1]

DEFENDANT KUGLER: No, that was not under my jurisdiction.

Q. Did you hear about it afterwards?

A. Yes, I did. I cannot tell you the exact date.

Q. Did you hear anything in the course of your work which indicated the purpose of this contribution?

A. No. I was convinced that it was for purely charitable purposes; that is, that it was to help out the refugees in their distress; that in those weeks and months, many Sudeten Germans fled to Germany; I had not only read it in the newspapers but I had more direct evidence of that.

Q. You are referring to a letter which you received at the time?

A. Yes, Document 27.

Q. This letter, which confirms what my client has just said is my Document 27 from document book II, which I offer as Kugler Defense Exhibit 25.[2]

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6. TESTIMONY OF DEFENSE WITNESS MILCH AND PROSECUTION WITNESS OHLENDORF

a. Testimony of Erhard Milch

EXTRACTS FROM THE TESTIMONY OF DEFENSE WITNESS ERHARD MILCH[3]

DIRECT EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): Tell us the position of industry in a dictatorship and its relationship to the authority of the state?

WITNESS MILCH: In regard to the whole question of private industry, Hitler was not quite definite up to 1933. It was generally believed that he would remove private industry and have it nationalized. He did not do so; but he distrusted industry. He was also afraid that his main work, which was to adjust the differences between labor and capital and the state might be

[1] See Document NI-1318, Prosecution Exhibit 834, reproduced in subsection C 4. Introduced also as Kugler Document 27, Kugler Defense Exhibit 25.

[2] Reproduced in subsection C 4.

[3] Complete testimony is recorded in the mimeographed transcript, 15 January and 5 March 1948, pp. 5296–5347; and 8335–8550. Further extracts are reproduced above in section V B 1.

interfered with by industry. We had four to six million Communist votes at the time, if I remember correctly, and, because of the unemployment, we were drifting even further toward the left. Therefore, Hitler distrusted industry. He was convinced that industry's only interest was to fill the pockets of the big capitalists, and that is what he wanted to avoid. In the case of certain big firms, he had a further interest, especially in the I.G. Farben, since Farben's international relations indicated that it would not keep all the state secrets, and things that happened in Germany would become known abroad. I was once present when Hitler mentioned I.G. Farben by name, and said that he thought this company was much too international. He mentioned the close collaboration with the United States of North America.

Q. Witness, pardon me, please. May I draw your attention to the question of authority, and acceptance of suggestions made by industry?

A. Hitler was interested in technical questions. In general, he was not interested in industrial questions. Hitler's point of view was that he could give orders to Germany at all times, which absolutely had to be executed.

Q. And that was done?

A. Industry, of course, resisted now and then and, at times, tried to reduce this pressure, but industry had no other choice—they had to submit.

Q. And that was given a legal basis?

A. Yes.

Q. That was the system of compulsory regulations?

A. And the new penal regulations.

DR. BOETTCHER: Thank you. No further questions.

DR. RUDOLF DIX (counsel for defendant Schmitz): Witness, the question which I intended to ask you, you have more or less answered in the examination by my colleague, Dr. Boettcher. But in the interest of brevity, Dr. Boettcher, on several occasions, stopped you. I would like you to elaborate on this subject of Hitler's attitude toward industry, toward the exponents of capitalism. Therefore, I should like to ask you what was Hitler's personal attitude toward the social class to which these gentlemen belonged, as big industrialists? Have you anything to add to what you have already said? If so, please do so; if not, then say so, and that will settle my question.

WITNESS MILCH: I believe I have nothing to add. He distrusted them and they were alien to him.

* * * * * * *

Q. Witness, the photographer Hoffmann said that Hitler, in his presence, on some occasion or other, said: "It is high time for a prominent industrialist to be shot—but if so, it has to be a prominent one."[1]

Did you ever happen to hear of this remark? Just a moment.

A. No, I did not.

Q. Does this remark agree with the impression that you have of Hitler's attitude toward industrialists, or are you surprised at this remark as having come from Hitler, Witness?

A. After 1941, I am not surprised; but before that I would have been surprised.

Q. What about Hitler's attitude toward intellectuals; of the intellectual class, as it is called?

A. Hitler made a sharp distinction between intelligent people and intellectual people. He had a high regard for intelligence but he was very much opposed to intellectuals.

Q. Did he like intelligent people because they helped him and could serve him well?

A. I assume so.

* * * * * * *

b. Testimony of Otto Ohlendorf

EXTRACT FROM THE TESTIMONY OF PROSECUTION WITNESS OTTO OHLENDORF[2]

CROSS-EXAMINATION

* * * * * * *

DR. HOFFMANN (counsel for defendant von der Heyde): Witness, I have a few more questions. The witness Diels told the Tribunal here that every concern had an SD man. Do you know anything about that?

WITNESS OHLENDORF: I can assure you that that is not the case, and we were not interested in establishing such contact with the Konzerns. But, if I may put it this way, the SD, under my direction, was altogether anti-Konzern in its attitude.

Q. Witness, then it was anti-Farben too?

A. Yes, one can say that.

Q. Then I have another question, Witness. After the beginning of the campaign in Russia in 1941, you received an order to carry out shootings in Russia, and you are accused for this?

A. Yes.

* * * * * * *

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[1] Affidavit of Heinrich Hoffmann, Schmitz Document 107, Schmitz Defense Exhibit 110, reproduced below in subsection C 7 *a*.

[2] Complete testimony is recorded in the mimeographed transcript 2 December 1947, pp. 4499–4510. Ohlendorf was the first defendant named in the indictment in the Einstazgruppen case, Case 9. See vol. IV, this series.

7. AFFIDAVITS OF DEFENSE AFFIANTS HOFFMANN AND OLLENDORFF

a. Affidavit of Heinrich Hoffmann

TRANSLATION OF SCHMITZ DOCUMENT 107
SCHMITZ DEFENSE EXHIBIT 110

AFFIDAVIT OF HEINRICH HOFFMANN, HITLER'S OFFICIAL PHOTOGRAPHER, CONCERNING A STATEMENT OF HITLER AGAINST FARBEN LEADERS

I, the undersigned, hereby declare under oath: I remember having heard during a conversation in 1943 or 1944 that Hitler made a remark purporting the following:

"The IG is financially involved in international entanglements. It is bartering away its patents to America. I shall make an example of these saboteurs and shall have a number of them, and not the least important ones either, placed before a firing squad."

I know that I render myself liable to severe punishment by making false affidavit, and that this statement is to be submitted as evidence before the International Tribunal at Nuernberg.

Moosburg, 11 March 1948

[Signed]: HEINRICH HOFFMANN

b. Affidavit of Gerhard Ollendorff, former Deputy Member of Farben's Vorstand

TRANSLATION OF GAJEWSKI DOCUMENT 4
GAJEWSKI DEFENSE EXHIBIT 4

AFFIDAVIT OF GERHARD OLLENDORFF CONCERNING DEFENDANT GAJEWSKI'S ASSISTANCE TO HIM AFTER HIS ARREST BY THE GESTAPO*

Dr. Gerhard Ollendorff

Rio de Janeiro (Brazil),
Rua Conseilheiro Lafayette 29,
ap. 8
24 April 1947

Affidavit

I, Dr. Gerhard Ollendorff, born 12 October 1878 in Rawitsch [Rawicz] (former Prussian province Posen) of Jewish extraction, and until May 1 1932 (the date of my retirement), a deputy member of the Vorstand of the I.G. Farbenindustrie

* This affidavit was discussed during the direct examination of the defendant Gajewski, reproduced in 5 *d*, above.

Aktiengesellschaft and manager of the film factory in Wolfen, make the following sworn statement in favor of Dr. Fritz Gajewski, member of the Vorstand of the IG. On account of the fact that here in Brazil only signatures on Portuguese documents are certified, it was not possible for me to obtain a certification of my signature. In case my uncertified statement should carry no weight, I am prepared to have it translated into Portuguese and certified, or to repeat the statement in English here, at an American or British Embassy or Consulate.

1. I met Dr. Gajewski in Frankfurt am/Main in February 1933, at a meeting of the Aufsichtsrat of the German Gelatine Factories. Dr. Gajewski, who sat next to me during the meeting, said to me, in connection with the Nazi rise to power which had just taken place, "So we will have to wade through this filth, too! There will soon be no more people around like Haber or Willstaetter. You'll soon see!" I have never forgotten these words of Dr. Gajewski. They seemed to prove to me that he was at heart an enemy of the Nazis. I was all the more surprised when I learned several months later than he had joined the Party. But I thought that he had taken this step in the interests of the company and not on account of his personal convictions.

2. I know that about 1934 Dr. Gajewski helped his old friend, Dr. Ernest Schwarz, who had been for many years Welfare Director at the Ludwigshafen works and who was the son of a Rabbi, to go to the U.S.A., and there to become the president of the Agfa subsidiary of the Agfa Ansco in Binghamton, N. Y.

3. When on 10 November 1938 I was driven from my home in Grainau, Upper Bavaria, and arrived in Berlin after being detained for three days in Bregenz, Dr. Gajewski sent a car to take me to Wolfen in order to discuss with me my new situation and my plans. During this discussion he told me that by taking this step he was laying himself open to danger; he was continually being spied upon and he showed me his office safe containing important documents. This safe still bore the marks of an attempt to force it open, which had been made several days previously.

4. When I was arrested in Berlin by the Gestapo at the end of January 1939 and transferred to the police jail in Halle (Saale), Dr. Gajewski who had been informed by my wife, immediately went to Halle to intervene with the chief of the Gestapo there and to effect my release. As he told me later, this man said by way of introduction: "He will never leave alive!" On the instigation of Dr. Gajewski, several executives of the film factory again intervened in May 1939 on my behalf.

5. On 14 June 1939 I met Dr. Gajewski in the Hotel Adlon in Berlin at a meeting which had been suggested by the Generaldirektor of the IG, Geheimrat Schmitz, to discuss the situation created by my intention to emigrate to Brazil. Dr. Gajewski informed me that the Vorstand of the IG did not object to my emigration, despite my great expert knowledge, especially in the field of photography. He advised me to get in touch from Brazil with the Agfa subsidiary in the U.S.A., the Agfa Ansco in Binghamton, N. Y., (whose machines I had built myself in Wolfen in 1927/28) and to try to reach a working agreement with them. He himself would recommend me to the executives in Binghamton to help me to conclude such a contract. In view of the prevailing political situation, I was very much astonished by Dr. Gajewski's offer. Several days later I received the letter from the Vorstand of the IG, of which a photostatic copy is enclosed, which bears the signature of Dr. Gajewski. The copies of my answers are also attached.*

The sentence in my letter to Dr. Gajewski, dated 29 June 1939, "I shall never forget what you are doing for me now" I feel I ought to use on behalf of Dr. Gajewski who, I hear, is himself now in a difficult situation. That is why I feel compelled to make the above declaration under oath in favor of Dr. Gajewski.

[Signed] DR. GERHARD OLLENDORFF

D. Propaganda, Intelligence, Espionage, and Related Matters

1. INTRODUCTION

One of the major subdivisions of count one of the indictment was entitled "I.G. Farben Carried on Propaganda, Intelligence, and Espionage Activities."

The specifications were set forth in nine paragraphs (58–66). A vast quantity of evidence was adduced on these charges by both the prosecution and the defense. The selections from this evidence reproduced herein have been grouped as follows: contemporaneous documents (2 below); an affidavit of the prosecution affiant Guenther Hausen, Farben bookkeeper, concerning disbursement by Farben agencies abroad to German diplomatic agencies and the Foreign Organization of the Nazi Party after 1940; and testimony by three defendants Mann, Ilgner, and Schneider. The materials reproduced herein have a particularly close relation to those in the preceding subsection, "C. The Alleged Alliance of Farben with Hitler and the Nazi Party."

* The enclosures are not reproduced herein.

2. CONTEMPORANEOUS DOCUMENTS

TRANSLATION OF DOCUMENT MANN 525
MANN DEFENSE EXHIBIT 141

CIRCULAR LETTER NO. 23 OF THE BOARD OF DIRECTORS OF FARBEN'S PHARMACEUTICAL DEPARTMENT, 29 MARCH 1933, SIGNED BY DEFENDANT MANN, CONCERNING AGITATION AGAINST GERMAN GOODS ABROAD*

"Bayer-Meister Lucius"

Pharmaceutical Department

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

To: Pharmacist Hauser

Leverkusen, IG Plant
29 March 1933

Board of Directors, Circular Letter No. 23

Board of Directors, Pharmaceutical Department

Secretariat

Personal

Strictly confidential

(This circular is being sent to all organizations abroad and overseas, and, for purposes of information, to the heads of the German Pharmaceutical Offices)

Subject: Agitation against German goods abroad

The national revolution in Germany, which represents a natural reaction to the muddled state of affairs of recent years, and not least to Marxist-Communist agitation, has developed with unparalleled peace and order. The present German Government has the right to claim that it has won a victory against bolshevism, the enemy of the entire world, a victory which will benefit not only Germany but also all civilized peoples of the earth. It carried out this battle in a manner which clearly demonstrated the will for self-discipline and the readiness to submit to firm leadership. It is all the more regrettable that some—very few—unimportant incidents which, practically speaking, were unavoidable in view of a governmental revolution of such tremendous proportions, have been taken up by a large part of the foreign press as an occasion to disseminate atrocity propaganda against Germany, with the slogan "Combat German Goods!"

Since our immediate business interests have also been affected

* This document is discussed in the testimony of Defendant Mann reproduced in 4 below.

by these political developments, we feel it is important, both because of this fact and also especially because of our duties as Germans, to tell you explicitly for our part as well, *that the contents of all the atrocity tales being spread abroad about mistreatment of political opponents and Jews are in no way in keeping with the facts.* Germany, which has always been a land of perfect order and self-discipline, *today too, can lay claim to being counted among the calmest countries in Europe.* The security of each and every individual is guaranteed in every respect, and no harm is being done to anyone, not even political opponents or Jews. We regret exceedingly that the conduct of certain elements abroad has led to retaliatory action in Germany against Jewish businesses, and hope that this is merely a temporary reaction. The events which have been disturbing the economy of the entire world can be decisively stopped, however, only if those who think justly and rationally gain the upper hand in the countries which have been causing this disturbance. We therefore *urgently request you,* immediately upon receipt of this letter, to contribute to the *clarification of the actual facts* in a manner which you deem suitable and adaptable to the special conditions of your country, either by visiting leading personalities of the country and the editors of influential papers, or by distributing circulars to doctors and the rest of your clientele. We request in particular that you emphasize as effectively as possible that part of our letter which states that there is *not a true word* in all the lies and atrocity stories being disseminated abroad.

We request that you submit a report as soon as possible to our PHARMA Management Secretariat, concerning the success of the steps you have taken.

[Signed] MANN
Head of the Sales Combine
Pharmaceutical Combine of the
I.G. Farbenindustrie
Aktiengesellschaft

NOTE. These letters are to be kept in a special file according to serial number, in the personal custody of the addressee. The enclosed form for acknowledgment of receipt is to be sent to the PHARMA Management Secretariat, Leverkusen. The form for acknowledgment of receipt is not, however, to be used for other announcements.

PARTIAL TRANSLATION OF NI-8418
PROSECUTION EXHIBIT 2092

EXTRACT FROM THE MINUTES OF A MEETING OF FARBEN'S SALES COMBINE PHAMACEUTICALS, 25 OCTOBER 1933, CONCERNING RELATIONS WITH LOCAL GROUPS [ORTSGRUPPEN] OF THE NAZI PARTY ABROAD

Minutes of the Meeting of the Directors of the Sales Combine Pharmaceuticals in Leverkusen on 25 October 1933 at 9:00 a.m.

Those present were Messrs: [the defendant W. R. Mann (chairman)
R. Mann (of the Verwaltungsrat)
Brueggemann
Peiser
Krebs
Lindner
Mentzel
Langguth (recording clerk)
Braun
Hauser
Huber
Merk
Mueller, Alb.
Paulmann
Zahn

In connection with the points No. 719 to 744

Braeuninger
Schmitz
Schnuecke
Tessmar

* * * * * * *

725. Local Groups [Ortsgruppen] of the NSDAP Abroad

A circular letter of the directors to the offices abroad is submitted, in which the latter are asked to give the Ortsgruppen of the NSDAP abroad their support in a friendly manner, without at the same time allowing our business interests to assume a political character. The directors of A, B, and C will decide to which of their agencies this circular letter can be sent.

* * * * * * *

Approved:
Signed: MANN

PARTIAL TRANSLATION OF DOCUMENT NI–10267
PROSECUTION EXHIBIT 782

LETTER FROM FARBEN'S PHARMACEUTICAL DEPARTMENT, SIGNED BY DEFENDANT MANN, TO THE WINTHROP CHEMICAL COMPANY AND THE BAYER COMPANY IN NEW YORK, 14 DECEMBER 1933, ENCLOSING A CIRCULAR LETTER TO FARBEN REPRESENTATIVES CONCERNING GERMANY'S POLITICAL AND ECONOMIC SITUATION

"Bayer-Meister Lucius"
Pharmaceutical Department
I.G. Farbenindustrie Aktiengesellschaft

Directorate

Leverkusen, 14 December 1933.

To the Management of the Winthrop Chemical Company, Inc.,
New York.

[STAMP]
Received
Bayer Co.—Export
Department
23 Dec. 1933
ACK'D

To the Management of the Bayer Company, Inc.,
Export Department,
New York.

On the occasion of the coming New Year we have, in a very detailed letter, furnished our representatives abroad with a survey of the economic and political situation in Germany as it presents itself at the present moment. In view of its general significance and the pronounced impartiality which has guided us in its composition, we believe that you will find this survey particularly interesting, and we therefore take the liberty of sending you herewith the general introductory part of the circular letter.

Very truly yours
I.G. Farbenindustrie Aktiengesellschaft
[Signed] MANN
MENTZEL

Registered

[Stamp]
Received
Bayer Co., Export Dept.
Dec. 23, 1933

Circular letter of the Directorate No. 27

To all representatives!
(Personal address of the
manager or managers responsible)

The New Year gives us a welcome opportunity to furnish you, in the following report, with a survey of the *political and economic situation in Germany,* as well as the *general outline of our business policy* as it will be pursued by our Pharmaceutical Department "Bayer" *during the year 1934.*

In view of the boycott propaganda abroad, which is still noticeable although it has lost considerably in intensity, we are particularly desirous of describing to you in detail the actual conditions as they prevail under the new National Socialist government in Germany. We wish to express the hope that this report will supply you with important data, enabling you to continue to assist us in our *struggle for the German conception of law.* We ask you expressly, in connection with your collaborators and your personnel, to make use of these data in a manner which appears appropriate to you, to the end that all co-workers of our pharmaceutical business become familiar with these general economic and political conceptions.

Since the year 1918, when the November revolution attempted to give Germany a new form, there arose among the German people, through the influence of foreign ideologies, contrasts which were almost insurmountable and which from year to year became more pronounced. Almost a decade-and-a-half of internal strife, which led Germany to the very brink of the abyss, were required to lead to the conviction that the parliamentary form of government, suitable for the western countries, was incompatible with the conditions in Germany. The Reich President acceded to the will of the German people and, on 30 January 1933, appointed the leader of the National Socialist German Labor Party, Adolf Hitler, Chancellor of the German Reich. The old parliamentary system was weakened in the race of political ideas and had to yield to the conception of political leadership.

The difficulties which confronted the new government upon coming into office were immense. Within, civil war was smouldering and threatened to break out at any moment. Abroad, because of her internal dissension and because of the policy of her former rulers, Germany was a plaything in the hands of the signatories of the Treaty of Versailles. The situation was

made worse by the depression which spread want and misery over Germany. In those years, the number of suicides reached hundreds of thousands. This was the situation on the eve of 30 January 1933.

The new government went to work, however, without hesitation and with the greatest energy. In a few months, conditions were radically transformed. Within Germany, the Reichstag fire gave the signal for the fight against Communists and Marxists, who, in armed revolt, were intent upon bringing Germany to the brink of the abyss once more. The government stepped in and purged the country with an iron hand. Peace was restored to the people and they could go about their affairs without fear for life and property. The corruption of officials and public institutions which had lasted so many years, was brought to an end, and those found guilty were, without exception, called severely to account.

Achievement took the place of patronage and party membership, as the means of securing office; *order and honesty again became the guiding principles in German public life.*

* * * * * * *

This spiritual transformation of the entire nation, as demanded by the new ideology, took place within a few months; the recent elections for the Reichstag have shown that the entire German nation, which for centuries was the example of a disunited people and in recent years almost perished under the parliamentary system, stands solidly behind its Fuehrer and Chancellor. A foreign journalist has designated this process the "Miracle of the birth of the German nation."

* * * * * * *

Under the leadership of Adolf Hitler, the Third Reich has consolidated its position within a very short time. The world is no longer conceivable without it; *as time goes on, all boycott and atrocity propaganda will be shattered against the peaceful intentions of the German people. After many years of misguidance, the German people has regained belief in itself. A new period of German history has begun, and with it a new spiritual and economic growth, through the first stages of which we have just passed.*

* * * * * * *

Cordially

PARTIAL TRANSLATION OF DOCUMENT NI–8420
PROSECUTION EXHIBIT 783

EXTRACT FROM THE MINUTES OF A MEETING OF FARBEN'S SALES COMBINE PHARMACEUTICALS, 23 JANUARY 1934, ON THE SHIPMENT OF A HITLER SPEECH TO 16,000 PHYSICIANS IN BRAZIL

Minutes of the Directors' Meeting of the Sales Combine Pharmaceuticals in Leverkusen on 23 January 1934 at 8:30 a.m.

Those present were Messrs. [the defendant W. R. Mann
(chairman)
Brueggemann
Krebs
Lindner
Mentzel
Paulmann
Zahn
Fette
Langguth (recording clerk)
Schnuecke

* * * * * * *

41. Brazil/Speech of the Reich Chancellor

Propaganda mail to about 16,000 physicians included the text of Adolf Hitler's speech to the Reichstag about the German people's desire for peace.

* * * * * * *

Approved:
[Signed] MANN

PARTIAL TRANSLATION OF DOCUMENT NI-8421
PROSECUTION EXHIBIT 785

EXTRACT FROM THE MINUTES OF A MEETING OF FARBEN'S SALES COMBINE PHARMACEUTICALS, 13 FEBRUARY 1934, CONCERNING ADVERTISEMENTS IN FOREIGN NEWSPAPERS

Minutes of the Directors' Meeting of the Sales Combine Pharmaceuticals in Leverkusen on 13 February 1934 at 9:30 a.m.

Those present were Messrs. [the defendant W. R. Mann
(chairman)
Brueggemann
Krebs
Mentzel

Merk
Paulmann
Zahn
Fette
Langguth (recording clerk)
Schmitz
Schnuecke
Wagner (for a time)

* * * * * * *

60. Advertisements in foreign newspapers

It has happened that advertisements of our products appeared in foreign newspapers which publish insulting and abusive articles against the German Reich. The circular letter of the directors draws the attention of our agencies abroad to the fact that advertisements in such newspapers are to be stopped completely.

* * * * * * *

Approved:
[Signed] MANN

PARTIAL TRANSLATION OF DOCUMENT NI-8422
PROSECUTION EXHIBIT 786

EXTRACT FROM THE MINUTES OF A MEETING OF FARBEN'S SALES COMBINE PHARMACEUTICALS ON 27 FEBRUARY 1934 CONCERNING POLITICAL ACTIVITY OF BAYER REPRESENTATIVES ABROAD

D.B.
(Board of Directors meeting)
No. 3/34

Minutes of the Directors' Meeting of the Sales Combine Pharmaceuticals at Leverkusen on 27 February 1934, 8:30 o'clock a.m.

Present were: [the defendant] W. R. Mann (chairman)
Brueggemann
Krebs
Lindner
Mentzel
Langguth (recording clerk)
Schnuecke

* * * * * * *

110. It has to be demanded of our *representatives* and *agents* abroad that they refrain from any *political activity* against the German Reich. At the next possible opportunity the gentlemen are to be verbally pledged accordingly.

* * * * * * *

Approved:
[Signed] MANN

PARTIAL TRANSLATION OF DOCUMENT NI-8424
PROSECUTION EXHIBIT 784

EXTRACT FROM THE MINUTES OF A MEETING OF FARBEN'S SALES COMBINE PHARMACEUTICALS, 16 MAY 1934, CONCERNING SPEECHES OF HITLER SENT TO BAYER'S BELGIAN AGENCY

Minutes of the Directors' Meeting of the Sales Combine Pharmaceuticals at Leverkusen on 16 May 1934, at 9 o'clock a.m.

Present were: Peiser (chairman)
Krebs
Lindner
Mentzel

* * * * * * *

291. Belgium/Pamphlet entitled "Reichstag Speech by Adolf Hitler on 30 January 1934"

The French pamphlets of Reich Chancellor Hitler's speech sent to Belgopharma* at the time were confiscated by the customs administration on their arrival in Brussels and handed over to the public prosecutor's office. They have not been released up to this day.

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Approved:
[Signed] PEISER

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* Belgo-Pharma Produits Pharmaceutiques, Brussels.

PARTIAL TRANSLATION OF DOCUMENT NI–4613
PROSECUTION EXHIBIT 788

CONFIDENTIAL LETTER FROM FARBEN'S POLITICAL-ECONOMIC POLICY DEPARTMENT, DATED 6 NOVEMBER 1935 AND SIGNED BY DEFENDANT GATTINEAU, TO THE BAYER SALES COMBINE PHARMACEUTICALS, DISCUSSING THE ESTABLISHMENT OF A NEWS AGENCY IN ARGENTINA TO GAIN ADDITIONAL INFLUENCE UPON THE ARGENTINE PRESS

IG Berlin

Political-Economic Policy Department
[Wirtschaftspolitische Abteilung]
Berlin NW 7, Unter den Linden 78

[Handwritten] Director Mentzel

[Stamp]
Secretariat of Management, "Bayer"
Nov. 7, 1935, 9–10
Received

I.G. Farbenindustrie Aktiengesellschaft
"Bayer" Sales Combine Pharmaceuticals
Leverkusen—IG Plant

Your Reference	Our Reference:	Date:
C 4	Press Office 4	6 November 1935

Re: Establishment of a News Agency in Argentina

Strictly Confidential

We have discussed the above-mentioned matter in detail with the German Press Attaché for Argentina, who is at present in Germany, and with the competent Referent of the Reich Ministry for Propaganda. We were told that it is a question of a news agency to be established for the purpose of gaining additional influence on the Argentine press in a way that cannot be recognized by the Argentinians. To carry out this camouflage, a purely Argentinian news agency was founded with the help of the president of the Chamber of Commerce, Schmitz, all the employees of which have no knowledge of the actual connections. Besides President Schmitz, only the managers of seven German firms have been informed of its real character. Apart from the Ambassador and the Press Attaché, no other government or Party office has knowledge of the actual situation. As this service can only function if the actual connections remain unknown to the public, we were most urgently asked to see to it that within the IG too, only as small a group as possible be informed of these matters.

The news agency has already been operating for the last three months, after all German firms, with the exception of IG, had agreed to furnish financial support. The IG representative, Mr. Homann, on his part, also agrees.

The IG's share comes to a minimum contribution of 500 pesos a month, an amount that has to be paid by two other firms as well. The monthly contribution of other firms ranges from 200 to 300 pesos.

The Press Attaché also pointed out that the office representing the IG was a very important strongpoint for the work there, especially since Dr. Menck—who is very well known in South America—had taken charge of the Bacteriological Institute.

We also have notified the Z.A.–Buero [Office of the Central Committee] of this matter and assume that the question of the IG contribution may now be settled.*

POLITICAL-ECONOMIC POLICY DEPARTMENT
[Wirtschaftspolitische Abteilung]
[Signed] H. GATTINEAU

TRANSLATION OF DOCUMENT NI-2790
PROSECUTION EXHIBIT 794

CORRESPONDENCE BETWEEN DEFENDANT ILGNER AND FRITZ KUESTER, CHIEF OF THE NATIONAL GROUP OF THE NAZI PARTY IN ARGENTINA, 7 AND 22 OCTOBER 1936, CONCERNING GIFTS SENT BY ILGNER TO KUESTER

1. Letter from Defendant Ilgner to the Chief of National Group of the Nazi Party in Argentina 7 October 1936

At present Santiago de Chile, 7 October 1936

Herrn Fritz Kuester
Head of the National Group [Landesgruppenleiter] of the NSDAP
Leandro N. Alem 168, Buenos Aires

Dear Herr Kuester,

Your journeys and mine, during my stay at Buenos Aires, unfortunately prevented our seeing each other more often, but I had an opportunity of discussing many problems with Mr. Siemssen, and economic problems, also, with Dr. Essich. These discussions were very valuable for me and I know they will prove to have been very useful, too.

May I offer you—in thankful memory of my meetings with the members of the Party at Buenos Aires—the enclosed two copies of the Fuehrer's book with the request to make use of them as gifts to such German fellow countrymen as have made valuable contributions to our common cause?

* A memorandum of the Office of the Central Committee, dated 12 November 1935, which is not reproduced herein, indicated approval of a monthly contribution of from 300 to 500 pesos.

I have taken the liberty of requesting the Agfa agency at Buenos Aires to forward you an Agfa Movex camera and an *Agfa Movector reproduction apparatus* in order to give the National Group [Landesgruppe] the opportunity of showing something of their work to the homeland through the medium of pictures.

With my best wishes for the work of the National Group Argentina and

Heil Hitler!
Yours very obediently

2. Letter from the Chief of the National Group of the Nazi Party in Argentina to Defendant Ilgner, 22 October 1936

National Socialist German Workers Party
Organization of Germans living abroad [Auslands-Organisation]
National Group Argentine [Landesgruppe Argentinien]
Office 25 de Mayo 145/IV Telephone
33–8534–6

Buenos Aires, 22 October 1936

Dr. Max Ilgner
c/o Anilinas Alemanas
Salta 323, Buenos Aires

Dear Dr. Ilgner,

I just received your letter of 7th inst. with which you kindly let me have two copies of "Mein Kampf" to be used as gifts to deserving German fellow countrymen.

At the same time you informed me that your Agfa agency here will place an Agfa *Movex* and *an Agfa Movector* at my disposal to be used in the National Group [Landesgruppe] for our work.

I thank you most cordially for your magnanimous gift, also in the name of the National Group.

I already had the pleasure of discussing business affairs with Party Member Siemssen and Party Member Dr. Essich, and above all, I am glad that you actively support all our interests and thereby assist in fulfilling the tasks assigned to us by the Fuehrer.

I should like to extend to you my good wishes for your continuous success in your manifold activities, and remain with

Heil Hitler,
Your obedient servant
[Signed] Kuester
Head of the National Group

[rubber stamp]
National Socialist German Workers Party
National Group, Argentine

PARTIAL TRANSLATION OF DOCUMENT NI-14517
PROSECUTION EXHIBIT 2032

EXTRACTS FROM A REPORT OF DEFENDANT ILGNER CONCERNING HIS LATIN AMERICA TRIP IN 1936

Excerpts of the IG Konzern Report on the Latin America Trip of Dr. Max Ilgner

Copy No. 3

IG KONZERN REPORT
ON MY LATIN AMERICA TRIP

August/December 1936

by

Dr. Max Ilgner

General Part and Observations made in the various Countries

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II. The tendency toward industrialization and nationalization

1. *Cause, goal, and nature of this tendency*

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2. *Necessity of intervention*

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Of course, from the standpoint of the highly industrialized countries, this intervention in the process of industrialization must be a means to an end, but not an objective in itself.

One should intervene only where this development, for plausible reasons, cannot be checked, and only insofar as this may be necessary in order, on the one hand, to strengthen the foundation or our own export position, and on the other hand, to secure a corresponding share in the future increases in purchasing power for purposes of additional export. It will be possible however, to influence such development all the more wisely if plans therefore are made carefully and on time, thus affording a better picture of the entire situation and avoiding any lagging behind, which unfortunately frequently has been the case in connection with such developments.

* * * * * * *

VIII. Personnel problems

1. *Employment within Our Agencies*

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2. *General Guidance of the Rising Generation*

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3. *Training of National Youth of German Origin*

Legislation concerning various nationalities, which is constantly increasing in all countries, will make more and more difficult the sending abroad of German youth. I should like to point out that hardly any other country finds more favorable conditions in Latin-American countries than Germany. The German element, as I have already mentioned in the beginning, has remained very strong, even in its characteristics, in the various South-American countries, so that in the future it will not be very difficult to recruit new employees from among the younger generation of this stratum of population. Intensive training in Germany of young Latin Americans of German origin will bring about a regeneration of these traits, and insofar as reliability and faithfulness are concerned, will warrant their future employment in our agencies, even in leading positions. To achieve this purpose, however, it is necessary to train the young Latin Americans of German origin in our own enterprises at home and to begin this training not too late, since it is often difficult to influence them sufficiently along our lines of thought after they have reached their twentieth year. Training in our own enterprise is advisable for more than purely practical reasons: it is chiefly the environment of a German community of workers which necessarily creates in the young Latin American the required faithful and loyal attitude towards Germany.

Even if the difficulties connected with nationality, which exist at the present time, generally still can be avoided by means of double citizenship, this is still only a temporary expediency, and if some day, because of the tightening of the legislation concerning nationals, the countries in question demand that a choice be made of one or the other citizenship, it goes without saying that most of the employees, who are not natives of the said countries, will decide to retain the German citizenship. In this manner however, we shall again be confronted with the same problem.

* * * * * * *

TRANSLATION OF DOCUMENT NI–6488
PROSECUTION EXHIBIT 800

FARBEN MEMORANDUM AND LETTER, 30 AUGUST AND 1 SEPTEMBER 1937, CONCERNING THE FORWARDING OF ANTI-COMINTERN MATERIALS SUPPLIED BY THE PROPAGANDA MINISTRY AND THE ANTI-COMINTERN ORGANIZATION FOR USE ON THE BRAZILIAN RADIO

1. *Memorandum signed by Defendant Gattineau from Farben's NW 7 office to "Bayer" Sales Combine Pharmaceuticals 30 August 1937*

IG BERLIN NW 7

Unter den Linden 82

I.G. Farbenindustrie Aktiengesellschaft
"Bayer" Sales Combine Pharmaceuticals

Leverkusen—IG Works

[Handwritten]
to H. Kaelble
1 September 1937
[illegible initials]

[Stamp]
Secretariat of Management
"Bayer"
1 September 1937 /9–10
Received

Your reference:	Our reference:	Date:
C 4	Political-Economic Policy Department 4	30 August 1937

Subject: Material for Anti-Comintern Propaganda Drive on the Brazilian Radio

With regard to this matter, we have contacted the Propaganda Ministry and the Anti-Comintern. Both agencies promised us to place material at Herr Kaelble's disposal. The material provided by the Propaganda Ministry will be forwarded to Herr Kaelble by airmail, whereas the material provided by the Anti-Comintern will be sent to us here. We will see to it that it is sent on accordingly. Herr Kaelble's letter, which had been left with Herr Dr. Eichner, is herewith returned to you as enclosure.

Political-Economic Policy Department

[Signed] H. GATTINEAU

[Signed] by order Eichner

2. *Letter from "Bayer Sales Department C4," 1 September 1937, Concerning Anti-Comintern Propaganda Material Transmitted for Dissemination Via Brazilian Radio*

C 4

1 September 1937

By airmail

[Stamp:]
Confidential

Herrn Herm. Kaelble,
Rio de Janeiro, Brazil

Dear Herr Kaelble,

Subject: Material for Anti-Comintern Propaganda Drive on the Brazilian Radio

In connection with the letter on the above matter, addressed to you today by the secretariat of our "Bayer" management, we are sending you enclosed the draft for a series of lectures against bolshevism which was drawn up by the secretary of the anti-Comintern. Unfortunately we received the documentary material mentioned therein too late for Herr Franke to take it with him. But in any case, we have had a photostatic copy made of the documentary proofs for Part I of the lecture (History of the Communist International) and are herewith already enclosing these prints.

To send it by airmail would cost about 90 reichsmarks according to our information. If you want it sent this way, please wire us the word "compo" after receiving this letter, otherwise please wire "comsi," and we shall then forward it to you at our earliest convenience. Should there be a possibility, in view of the fact that the documents are intended for the Brazilian Government, to hand these to the Brazilian Embassy in Berlin for forwarding, the cabled code word "botsa" would be a sufficient indication for us. Possibly also Herr Buessel might take the material over, if the matter can wait that long.

Your sincerely,
"Bayer" Sales Department C 4
[Signed:] HAUSER
[Signed:] as deputy Mueller

PARTIAL TRANSLATION OF DOCUMENT NI–8428
PROSECUTION EXHIBIT 803

EXTRACTS FROM MINUTES OF A MEETING OF FARBEN'S SALES COMBINE PHARMACEUTICALS, 16 FEBRUARY 1938, CONCERNING BAYER'S POLICY WITH RESPECT TO AGENCIES OF THE NAZI PARTY ABROAD, ANTI-GERMAN NEWSPAPERS ABROAD, AND THE EMPLOYMENT OF JEWS ABROAD

D.B. 3/38 [Board of Directors Meeting]

Strictly Confidential!

Minutes of the 186th "Bayer" Board of Directors Meeting (Sales Combine Pharmaceuticals), Held at Leverkusen, on 16 February 1938, 09.00 hours

Present: [the defendant] W. R. Mann (chairman)
Brueggemann
Mentzel
Grobel
Mertens
Merk
Paulmann
Zahn
Braeuninger
Kloeppel
Schmitz J.
Thimann
Langguth (recording clerk)

* * * * * * *

81. *National Socialist Attitude.* The chairman points to our unequivocal adjustment to National Socialist ideologies in the entire "Bayer" Sales Combine Pharmaceuticals. Beyond that, he requests the heads of the offices abroad to regard it as their self-evident duty to collaborate in a fine and understanding manner with the functionaries of the Party, with the DAF [German Labor Front], etc. Orders to that effect again are to be given to the leading German gentlemen personally so that there may be no misunderstanding concerning their execution.

82. *The management of our offices abroad* is to be in the hands of German gentlemen as a *matter of basic policy.* Should existing national laws make this impossible, a German gentleman is always to be delegated to the agency in question, whose task it will then be to keep up relations with the branch offices of the Party abroad, and to put forth great effort in behalf of the National Socialist attitude of Germans abroad who belong to our organization.

83. Enquiries of the Foreign Organization of the NSDAP should, moreover, always be settled in agreement with the chairman, or in his absence, with Brueggemann.

84. *Advertising in anti-German newspapers* is to be avoided at all cost; economic and propagandistic considerations must be subordinated to the higher political aspects.

85. *Jewish Question/ Offices Abroad.* The few remaining foreign Jews have to be systematically eliminated from our agencies. The department heads are responsible for the speedy execution of this order.

* * * * * * *

Approved:
Signed: MANN

TRANSLATION OF DOCUMENT NI–6489
PROSECUTION EXHIBIT 129

LETTER FROM FARBEN'S BAYER ORGANIZATION, SIGNED BY DEFENDANT MANN, TO HERR HOMANN, FARBEN REPRESENTATIVE IN BRAZIL, 25 FEBRUARY 1938, CONCERNING SUPPORT OF THE NAZI STATE AND NAZI PARTY ORGANIZATIONS BY FARBEN REPRESENTATIVES ABROAD

25 February 1938

Confidential

Dear Herr Homann,

We have already formerly had occasion to write to the heads of our offices abroad about the support they should give to the State and the Party within their sphere of activities on behalf of our firm. We would not wish to let the beginning of this year go by, either without repeating our request that you, as well as all your collaborators, should again and again make all endeavors to support not only the government agencies, but also the official Party agencies in their work abroad. This does not only mean that each individual should develop a positive mental attitude towards the present regime, but he should also, as far as possible, become a member of the Party organizations and contribute, to the best of his ability, to Party welfare institutions.

We consider it as a matter of course that apart from the willingness of each individual to render service, our foreign offices should also place themselves fully at the disposal of the German cause. This entails the avoidance of placing orders with anti-German firms or of using anti-German newspapers or periodicals for advertising purposes. On the other hand, we attach great importance to supporting *those* organs, which have always

shown themselves particularly pro-German, by the insertion of advertisements.

We expressly call your attention to the fact that we have no special reason for addressing today's letter to you, but that we wanted to explain once more, in general, which attitude towards the State we expect from our representatives who hold leading positions abroad.

"Bayer," I.G. Farbenindustrie Aktiengesellschaft

Signed: MANN
Signed: MENTZEL

PARTIAL TRANSLATION OF DOCUMENT NI-5621
PROSECUTION EXHIBIT 893

EXTRACTS FROM MINUTES OF A MEETING OF FARBEN COMMERCIAL COMMITTEE, 11 MARCH 1938, CONCERNING COOPERATION WITH THE FOREIGN ORGANIZATION OF THE NAZI PARTY AND THE APPOINTMENT OF I.G. FARBEN LIAISON AGENTS ABROAD

Minutes of the 8th meeting of the Commercial Committee, held in Berlin NW 7, Unter den Linden 82, on Friday the 11th of March 1938, at 9:30 a.m.

Persons present:

[the defendant] Geheimrat Schmitz
[the defendant] von Schnitzler, presiding
Fischer
[the defendant] Haefliger
[the defendant] Ilgner
Krueger
[the defendant] Mann
Muehlen
Mueller
Otto
Waibel
Weber-Andreae
Frank-Fahle (recording)
and
Birk
Dihlmann
Pabst
Sommer
at the discussion of item 5 of agenda

1. *Mobilization Question.*

Dr. von Schnitzler reported on the present status and the steps to be taken in future, and stated that he and Dr. Ilgner would

first of all contact the competent authorities on the basis of available data.

2. *Cooperation with the Foreign Organization of the NSDAP (AO).*

Discussion of actual instances led to general agreement that it would seem to be the best solution to refer all questions of principle to Mr. Waibel, delegate of the Commercial Committee. It was, however, decided that, where the special interests of any particular branch were at stake, negotiations with the Foreign Organization of the NSDAP (AO) should be conducted jointly by Mr. Waibel and the appropriate responsible member of the Commercial Committee.

3. *Appointment of IG Liaison Men* [*Verbindungsmaenner*].

Following the discussion of some actual instances, Dr. Ilgner pointed out that members in responsible positions, when travelling abroad on other than merely routine business must under no circumstances fail to contact IG liaison agents and to keep them informed. Such procedure appears necessary in view of the increasingly more involved and intricate relations with foreign countries, and particularly in view of the tendency, all but universally manifest, toward nationalization and industrialization.

Under these circumstances, it would make things easier for members in responsible positions travelling abroad to have on hand, in the greatest possible number of countries, an expert (the IG liaison agent) capable of supplying information on current trends and tendencies. No IG liaison agent will be able to do so, however, unless he receives adequate advance notice. Methods of selection of IG liaison agents are such as to guarantee confidential treatment of such matters.

Dr. v. Schnitzler undertook to report on the matter to the Central Committee [Z.A.] accordingly,

* * * * * * *

Berlin, 16 March 1938

Signed: VON SCHNITZLER
Signed: FRANK-FAHLE

TRANSLATION OF DOCUMENT NI-2786
PROSECUTION EXHIBIT 807

MEMORANDUM OF DR. HACKEMANN, FARBEN OFFICIAL, 14 APRIL 1938, CONCERNING A CONFERENCE ON THE EXPANSION OF VARIOUS PROPAGANDA ACTIVITIES ABROAD, THE ACTIVITY OF THE GERMAN LABOR FRONT IN THIS FIELD, AND COOPERATION BY REPRESENTATIVES OF GERMAN FIRMS IN FOREIGN COUNTRIES

14 April 1938

Memorandum

Re: Extending the propaganda activities of the International Central Office "Joy and Work" ["Freude und Arbeit"] to South and Central America

Meeting on Wednesday, 13 April 1938, in the Central Office Berlin W 15, Bleibtreustr. 22–23

Participants:

Mr. Manthey, General Secretary of the Central Office
Minister Diaz, Minister of Guatemala in Paris
Lt. Col. Roebnack, Reich Air Ministry, director of the German-Bolivian Working Association
Capt. (E) Passow, Staff of Army Ordnance Office
Mr. Kutschera, Representative of the press
Dr. Panhorst, Hispanic-American Institute
Dr. Hackemann, I.G. Farbenindustrie A.G.

I. Introduction

In the first place, it was remarked that, for the first time, a representative of a private firm was present at the conference of the working committee of the International Central Office "Joy and Work." The remaining gentlemen were, without exception, confidential agents [Vertrauensleute] who had been selected by Dr. Ley,* in order to help spread the idea "Leisure and Recreation." In this connection the advantages were pointed out which, for a firm, in this particular case the IG, consisted in the fact that in this way, close contact was established with the German Labor Front, and especially with Dr. Ley, in a field which is especially dear to Dr. Ley and which is directly under his control. The chain of command in the field of organizing leisure activities is such that General Secretary Manthey is directly responsible to Dr. Ley without going through any intermediate office, so that the confidential agents or firms participating in this committee in this way would also come into direct contact with Dr. Ley.

* Robert Ley, Reich Leader of the Nazi Party Organization and Chief of the German Labor Front (DAF), committed suicide after he was indicted in the IMT case.

Originally it had been intended that in place of this first meeting, Dr. Ley hold a reception to which the Ambassadors and Ministers of the Latin-American countries, and Dr. Ilgner, as representative of IG, were to be invited. This reception will take place in the course of the next few months.

II. General Idea

The general idea is that we wish to extend the idea of organizing leisure activities, which is known to us through the organization, "Strength through Joy," and through the International Congress for "Leisure and Recreation," also to South America, in order, at the same time, *to gain new friends for Germany.* So far all these attempts have failed because we did not have the right intermediaries in the various countries. After this failure, the Central Office arrived at the idea of eliminating the representatives of the German Labor Front in the various countries because they really had not the necessary connections and were, moreover, in a difficult position in the countries in question because their political affiliations were known. If this idea of organizing leisure activities is to be at all successful, it must be organized, in the main, nonpolitically, and in the best sense, internationally. The means of propaganda which are available for this purpose are, on the one hand, the well-known magazine, "Joy and Work," which is published in six languages, furthermore, travelling exhibitions like those presently held in Rome and Athens, and the propaganda effect of the "Strength through Joy" tours.

The propaganda is not to rely on emphasizing the humanitarian side of the idea, but should show the friendly relationship existing in Germany between employer and employee, and also, the care the employer exerts to make it easier for the employees to organize their leisure activities. The technical progress achieved in Germany as the result of this fine mutual relationship will be pointed out. The main propaganda slogan is to be "Germany is working," and in this connection the successes of this work should be indicated, e. g., in the field of buna and cellulose production, etc. Through this the German worker, however, does not become an object for exploitation by capitalism, but is now in the position to improve his own well-being and to spend his leisure time in a more worthy and pleasant manner.

In particular, this organization is to be put forward as a rival to the international associations which, until now, had their centers in Paris and Geneva. Dr. Ley's period of office as president of the Congress and of the Central Office will end in about 2 years. Dr. Ley hopes, however, to be reelected by the International

Congress and, therefore, would like to show outstanding success in his work in foreign countries. There exists the danger that, on account of its longer existence, the president of the "Dopolavoro" will become president of this institution for the next period of office, and that then German influence, in the building up of the international organization of leisure activities, will be eliminated in favor of Italian influence. This is all the more serious in the case of Latin America, because there, the Italian influence will gain ground more easily in many countries on account of the more predominant Latin strain in the population.

III. Procedure

The following procedure has been discussed and determined for South and Central America:

1. *Founding of a Committee*

A working committee will be founded which will prepare and direct the propaganda action for South and Central America. *Chairman* of this working committee is Minister Diaz who, although moving to Paris, will continue to be available for the job.

2. Secretary for the office of this working committee will be Dr. Panhorst.

3. *Specialists* will be appointed for individual countries or groups of countries, namely:*

Minister Diaz for Guatemala, Mexico, Panama
Mr. Kutschera for the West Indies
Lt. Col. Roebnack for Peru, Bolivia, Ecuador
Capt. Passow for Brazil
Dr. Panhorst for general tasks and, for the time being, for the countries not yet assigned.

It is the task of the specialists to work on these countries individually in order to create a good atmosphere for further propaganda.

4. *Intermediaries* are to be put at the disposal of the specialists within the countries in question. These intermediary activities shall not be performed by the official representatives of the German Reich nor by the Landesgruppenleiter or Kreisleiter of the Foreign Organization. The consular corps in the different countries may be consulted, in the event of their being elected honorary consuls [Wahlkonsuls] with whom good relations are maintained and whose position in the country in question presumably is a particularly favorable one. The main stress, however, should be put on the work of the confidential agents [Vertrauensleute] who

* On this occasion it was discussed whether perhaps Dr. v. Humboldt could be made available in order to visit several people who would be pointed out to him and to persuade them to participate in our propaganda work.

reside in the country in question and who are responsible for all the propaganda.

In this connection it had been intended to use as confidential agents, first the IG Verbindungsmaenner and perhaps later, if it proved necessary, one or the other representative of another big firm. It is desirable to use representatives of big firms for the reason that, on the one hand, the propaganda will be more forceful because this type of firm maintains a complete network of representatives over the whole continent and, on the other hand, it would be shown that the representatives of a big employer like the IG assist in spreading the idea of organizing leisure activities for employees to a foreign country. In this way we wish to prove, at the same time, that class distinction between employer and employees no longer exists in Germany, and to present this condition as an ideal to the other countries.

5. *Magazine*

The Verbindungsmaenner of the Central Office are to visit, at monthly intervals, specially selected, prominent people of the country to which they were appointed, to present them with the magazine "Joy and Work" and, at the same time, call their attention to the purpose and aim of the work of the Central Office. A pamphlet is to be issued for the detailed instruction of the Verbindungsmaenner.

Moreover, suitable material, which can be used for propaganda in the respective countries, is to be sent in the form of pamphlets to the Verbindungsmaenner. We have thought of distributing the magazine in each country, in the first place, to 5 or 6 economists, politicians, or social workers. These copies would be those sponsored by IG, and consequently the number will be considerably less than the intended 5 to 10,000 because the main stress no longer will be placed on the distribution of the greatest possible number of magazines, but on the personal contact with a few prominent people, which should be repeated month after month. Gradually the circle of those intermediaries to whom this magazine is handed personally will increase and perhaps, later on, we shall start to distribute copies of the magazine without coinciding visits by the Verbindungsmann. Then other firms should be asked to take over the sponsorship. The Central Office reserves the right to appoint, if necessary, the representatives of these other firms as assistants to the present confidential agent [Vertrauensmann] or, in case of greater suitability, to put them in his place.

6. *Exhibition*

When the idea "Leisure and Recreation" has made an impression on these important people through continuous distribution of the magazine, we shall send the Central Office's travelling exhibition—similar to the one now in Athens—to the country in question. The Central Office, judging from previous experience, anticipates a great success from this exhibition.

7. *Film*

During the discussion, the idea was also originated of making a film for the Central Office. This suggestion was considered to have great possibilities. At first, there will be a contest to obtain a suitable script which will then be filmed, featuring first-class actors. It was stressed that either a film for all the countries or a film suitable only for South America will be made, no cost being spared. It was mentioned that the Labor Front, which would help in this case, would make available ample funds and all necessary connections.

8. *Novel*

The film script could either be expanded to a novel or, on the other hand, a novel could be written which would serve as a basis for the film script. However, the idea of distributing this novel in South America was dropped because, considering the hot climate, the distribution and the reception would not bring the desired success as would a good talking picture.

In connection with the idea of the film, Mr. Manthey mentioned that the Central Office has a film record of all congresses, exhibitions, major "Strength Through Joy" events, etc., and has very good film archives, so that it would easily be possible to work this material into the plot. The showing of this film material has been scheduled for one of the next meetings of the committee.

9. *News Service*

After a while it should be attempted to introduce suitable articles into the newspapers of the countries in question. For this purpose suitable material will be prepared. For the Spanish- and Portuguese-speaking countries, it will be done in the form of matrices in order to conduct the distribution over there through smaller newspapers too, and as much as possible without expense.

10. *"Strength Through Joy" Trips to Latin America*

Latin America should be visited by the "Strength Through Joy" fleet, at the latest, on the trip to the Olympic Games in Tokyo. It was mentioned that on this occasion about 10,000 "Strength Through Joy" travellers would make a trip around South America or through the Panama Canal.

Mr. Manthey also hinted that ships for a "Strength Through Joy" Danube fleet already had been ordered so as to indicate the degree of firmness and energy with which Dr. Ley intends to carry into effect this idea of organizing leisure activities.

[Signed] HACKEMANN

To: Secretariat—Dr. Ilgner
Mr. Schwarte
Dr. Kersten/Gierlichs/Dr. Prentzel
Dr. Gattineau, Mr. Passarge, Mr. Schoenberg (only III)

PARTIAL TRANSLATION OF DOCUMENT NI-5760
PROSECUTION EXHIBIT 852

EXTRACT FROM THE MINUTES OF THE MAIL CONFERENCE OF FARBEN'S NORTHWEST 7 ORGANIZATION, 24 JANUARY 1939, CONCERNING INFORMATION AND TRAINING VISITORS AND THEIR PURPOSE

Minutes of Mail Conference No. 134

Pr/Bra 24 January 1939

Present: Consul General Mann (as guest)
Dr. Krueger (chairman)
Dr. Frank-Fahle
Dr. Reithinger
Passarge
Helfert
Schwarte
Dr. Kersten
v. Meister
Dihlmann
Dr. Terhaar
Jacobsen
Saxer
Dr. Prentzel

* * * * * * *

2. *Visitors for Information and Training Purposes* [Informationsbesucher].

On the occasion of the last clearing conference Gattineau proposed to cut down on time allowed visitors for information and training purposes in connection with the WIPO's training program; in answer to a question interpolated by Consul General Mann, Kersten explained the meaning of the term "information and training visits" [Informationsbesuche]. We are here concerned with:

(1) Visits by gentlemen who are to be employed by us in positions requiring special qualifications and are, for this purpose, first of all to obtain a general impression of the plant by undergoing a course of training within the establishment.

(2) Training of new staff.

(3) Visits by IG agents and gentlemen sent by the Sales Combines for information purposes.

(4) Men sent by other than IG offices (such as public authorities, the Foreign Organization of the NSDAP, and similar agencies), who are scheduled to travel abroad and desire to obtain information from the Economic Research Department [Volkswirtschaftliche Abteilung] on their respective country.

(5) Information given to gentlemen on the staff of the Foreign Office, commercial attachés, etc.

(6) Editors seeking information both from the Information Office [Nachrichtenstelle] as well as from reading material published by the VOWI [Economic Research Department].

With reference to item (3) Consul General Mann requests that the time of training for men sent by the Sales Combines be cut down to a minimum. Krueger replies that this rule applies to all types of training courses at N.W.7.

In addition, Krueger comments on the cooperation between the various departments of N.W.7 and individual official personalities. Consul General Mann recommends that in this connection, representatives of the Sales Combines also participate in any conferences, official luncheons, and similar functions whenever possible. Eichner is to furnish a list, compiled by PHARMA, naming the persons who are of particular interest to Bayer.

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TRANSLATION OF DOCUMENT NI–7965
PROSECUTION EXHIBIT 923

FILE MEMORANDUM OF THE MILITARY ECONOMICS OFFICE OF THE HIGH COMMAND OF THE WEHRMACHT, 2 MAY 1939, CONCERNING A FARBEN REPORT ON NITROGEN PRODUCTION IN ENGLAND

SECRET

Office of Military Economy IVc 2 May 1939

[Initials] NC

MEMORANDUM

Subject: Discussion with Dr. Dieckmann (I.G. Farbenindustrie) on Nitric Acid and Nitrogen Factories in Great Britain

I.G. Farbenindustrie has gained knowledge of the following nitrogen factories in Great Britain:

1. At Mossend (Lanarkshire) 15 kilometers east of Glasgow; built by I.C.I. [Imperial Chemical Industries, Ltd.]; completed in spring of 1939; property of government; estimated output capacity 40,000 tons of pure nitrogen per year. This estimate is based on the building expenses. Electric power is supplied from outside sources; I.C.I. has probably undertaken to supply 200 trained workers for this standby plant in the event of war; total staff probably 600.

2. At Merthyr Tydfil, 24 kilometers northwest of Cardiff; built by I.C.I.; also government property; estimated output capacity 35—40,000 tons per years; to be completed at the beginning of 1940.

I.G. Farben considers that the Mossend and Cardiff (Merthyr Tydfil) installations can supply sufficient nitrogen to meet the requirements of all the plants producing highly concentrated nitric acid in Great Britain.

3. At Irvine, there are two plants for the production of highly concentrated nitric acid, so-called "Hoco plants"; output capacity 18,000 tons of nitric acid per year each, equivalent to approximately 4,000 tons of nitrogen per year.

4. At Billingham, the nitrogen factory has been converted for the production of fuel (a yearly yield of 150,000 tons, of which 59,000 tons are aviation gasoline, octane content 87).

I.G. Farben estimates the output of highly concentrated nitric acid in Great Britain to be equivalent to 56,000 tons of nitrogen per year; estimated output potential in Abwehr publication No. 2656/July 38 I w secret, dated 28 July 38, is exaggerated, as this implies an output of 160,000 tons of nitrogen per year; this high estimate could only be correct if all the old World War plants employing the sodium nitrate/sulfuric acid decomposition process are still in existence.

Labor problem: Workers could be trained in 4 to 6 weeks if 10 to 15 percent of trained workers are available; this short period is only possible in the chemical industry as, in general, the techniques are simple; the larger the factory, the more difficult the training.

TRANSLATION OF DOCUMENT NI–7796
PROSECUTION EXHIBIT 922

LETTER OF FARBEN'S LIAISON OFFICE WEHRMACHT TO I.G. FARBEN SPARTE I, DIRECTING COPIES TO DEFENDANT KRAUCH, AND DR. MURECK OF OKW MILITARY ECONOMICS STAFF, 4 MAY 1939, CONCERNING NITROGEN PRODUCTION IN ENGLAND AND FORWARDING A REPORT OF THE NITROGEN SYNDICATE ON THIS SUBJECT

1. Letter to Sparte I (Ludwigshafen), 4 May 1939, Concerning Nitrogen Production in England

[Stamp]
SECRET!

I.G. Farbenindustrie Aktiengesellschaft Vermittlungsstelle W

I.G. Farbenindustrie A.G.
Office of the Directorate of Sparte I
for the attention of Director Doctor Goldberg
Ludwigshafen/Rhine

Oppau Works

1. This is a State Secret within the meaning of Article 88 of the Reich Penal Code.
2. To be transmitted only under cover; send "registered" if by mail.
3. To be kept under lock and key, at the responsibility of the addressee.

[Handwritten]
WWi:
Not received until 6 May!
[Handwritten]
Department III, Raw Materials

[Stamp]
Military Economics Staff and Military Economy Office
8 May 1939
No. 3842/secret, Enclosure: 1
Dr. Di/Sch.

4 May 1939

English Standby Plants for the Production of Primary Nitrogen at Mossend near Glasgow and Merthyr Tydfil near Cardiff

We enclose for your information a letter from the Intelligence Department of the Stickstoff-Syndikat, from which we learn that the British War Office has also erected two standby plants for the production of primary ammonia at fortified sites in north and east England. The plants have been erected by the I.C.I. Judging by the capital invested, which amounts to approximately

15 million reichsmarks per plant—current being supplied by outside sources—we estimate the production capacity of each of the plants at approx. 30–50,000 tons of nitrogen per year, in the form of ammonia. [Handwritten marginal note] Urgent; Armaments 6 May; 1*a* for information; 2*e* Auschwitz; 3 WWi, von Mureck 6 May.

The two plants mentioned above, with a total production capacity of from 60–100,000 tons of nitrogen per year, would, if the above estimate of capacity is correct, probably be able to cover the entire requirements of primary nitrogen of the British plants for the production of highly concentrated nitric acid, even should the Billingham plant be put out of action.

Vermittlungsstelle W
[Stamp:] Diekmann

Enclosure:
Letter from the Nitrogen Syndicate, dated 2 May 1939

Copies to: Director Dr. Krauch, Berlin W-9
Senior Government Councillor [Oberregierungsrat] Dr. Mureck, OKW, Military Economics Staff, Berlin W 35
Dr. Willfroth, Leuna

[Handwritten]
for the files, B, 11 May,
Armaments [remainder illegible]

[Stamp] *Registered Mail*

2. *Report of the Nitrogen Syndicate to Farben's Liaison Office Wehrmacht, 2 May 1939, Concerning "Shadow Factories" in England*

NITROGEN SYNDICATE, LTD.

To: I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W
Berlin NW 7, Unter den Linden 82

Berlin NW 7
Neustaedtische
Kirchstr. 9

Our reference:
Statistics Dept.
Dr. Ho/Se

2 May 1939

Subject: *"Shadow Factories" in England*

With reference to the telephone conversation held with Dr. Diekmann today, we give you, in the following, documentary evidence of the construction of the two plants for the production of ammonia in Mossend and Merthyr Tydfil, which are being erected by Imperial Chemical Industries Ltd. [I.C.I.], on behalf of the War Office.

1. *Mossend*

The new plant for the production of ammonia in Scotland is being erected at Belleshill, near Mossend, 15 kilometers east of Glasgow, on a 25-acre site acquired from the Mossend Steel Works (Colvilles Ltd.) In agreement with the War Ministry, I.C.I. has immediately begun construction. The Clyde Valley Electrical Power Company, Ltd. has worked out plans for the erection of a new power station. The old Mossend Steel Works produced munitions during the war and, since then, has had little work to do. A few years ago, ownership of the works was transferred from the firm Wm. Beardmore Ltd. to Colvilles Ltd. (The Chemical Trade Journal 101, No. 2633 of 5 November 1937, page 412.)

I.C.I. Ammonia Plant. The erection of the new I.C.I. plant for the production of ammonia is being carried out with all possible speed. The whole plant will be completed by the end of the year, and will thus be able to go into production at the beginning of next year. The Clyde Valley Electrical Power Company, Ltd. will erect a new branch installation to supply the plant. (Financial Times 15 251 of 10 January 1938.)

[Stamps]

Appendix to No. 3842/1939 secret, W.Wi IV

Appendix to No. 1900/1939 secret, W.Wi IV

The plant erected by I.C.I. in Mossend, Lanarkshire, is nearing completion and will probably go into production next spring. (The Chemical Trade Journal 103, No. 2691 of 16 December 1938, page 563.)

2. *Merthyr Tydfil*

Imperial Chemical Industries, Ltd. are building for the government, at Merthyr Tydfil, about 24 kilometers northwest of Cardiff, at a cost of more than a million pounds, a factory similar to that under construction at Mossend, Lanarkshire. (The Chemical Age XXXVIII No. 982 of 23 April 1938, page 331.)

A large, state-owned plant for the production of ammonia is being erected by I.C.I. at Merthyr. The costs may amount to a million pounds. (Chemical Trade Journal 102 No. 2660 of 13 May 1938, page 401.)

Erection of a special I.C.I. factory

The British Government has finally decided to approve the erection of a special I.C.I. factory at Merthyl Tydfil for the production of chemicals to be used in the manufacture of armaments. Rough estimate of costs, 1 million pounds. Decision to purchase machinery at a cost of roughly 150,000 pounds is said to have been made already. Completion date, about 18 months hence.

Staff, 200 men. Initial costs low, as the supply of electric current can be drawn from the Treforest Electricity Works. (Nachrichten fuer Aussenhandel [foreign Trade Information] 174 of 29 July 1938.)

STICKSTOFF-SYNDIKAT
Gesellschaft mit beschraenkter Haftung

TRANSLATION OF DOCUMENT NI-8937
PROSECUTION EXHIBIT 814

CABLE FROM COMPAÑIA GENERAL DE ANILINAS IN MEXICO TO FARBEN'S SALES COMBINE CHEMICALS, 4 SEPTEMBER 1939, CONCERNING LOANS BY FARBEN AGENCIES TO GERMAN LEGATION IN MEXICO

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

Sales Combine Chemicals

Code Department

From: Compañia General de Anilinas
Mexico — Frankfurt am Main

Telegram dated 2 September — Received: 4 September 1939

Code

Madrid ..... In case war breaks out
Legation
asks German firms in Mexico
for loans
amounts
to be repaid by
German Government stop
Please authorize
Monthly payments of
Pesos 10,000—
for all IG agencies stop
Press in Mexico
must be influenced
suggest monthly contribution by all IG agencies
Pesos 200—
Please cable

[Handwritten marginal note] Vorstand approves
Dr. Overhoff has been informed 5 Sept.
(initial) illegible

Copy:
Latin America

TRANSLATION OF DOCUMENT NI–3804
PROSECUTION EXHIBIT 928

LETTER FROM DEFENDANT VON SCHNITZLER TO DEFENDANT VON DER HEYDE, 3 APRIL 1940, CONCERNING THE USE OF THE COMPANY FOR SALES PROMOTION IN CONNECTION WITH CAMOUFLAGED TRANSACTIONS ABROAD

3 April 1940

Dr. E. von der Heyde

Berlin NW 7, Unter den Linden 82

Dear Herr von der Heyde,

The contents of your letter of 30 March formed the subject of a discussion in our select Chemicals and Dye Stuffs Committee [Chemikalien—und Farbenausschuss]. Afterwards, I had also an opportunity to have a talk about the matter with Dr. Frank-Fahle who happened to be here. As far as we in Frankfurt know, we did not cause any annoyance in the two offices which you mention in your letter. Of course, up to now we only dealt directly with military offices. In Berlin, I had the opportunity recently to discuss at great length, with Major Block of the High Command of the Armed Forces, another problem connected with the matter in question, namely, whether and to what extent the High Command of the Armed Forces is willing to make use of the services of the "Company for Sales Promotion" [Gesellschaft fuer Verkaufsfoerderung],* directed by Herr Kuenzler and Herr Puttkamer. This company is particularly well suited for the intended camouflaging operations, since the failure of one of its representatives would never lead to a catastrophe; if the worst happened, this company would have to give up its activities in the particular country concerned and limit its operations to the rest of the neutral countries. My presence in Berlin next week will afford an opportunity to discuss not only this question, but also the entire complex of questions linked with the matter, and I shall gladly introduce you to Herr von Puttkamer, if necessary. The matter is all the more difficult for the IG as its agencies abroad are all closely watched, and all the activities of their functionaries are strictly controlled in order to ensure that they are purely business transactions and are not undertaken in the interests of a third party.

Signed: v. SCHNITZLER

* Defendant von Schnitzler was chairman of the Verwaltungsrat of this company.

TRANSLATION OF DOCUMENT NI-1450
PROSECUTION EXHIBIT 934

FARBEN FILE NOTE ON A CONFERENCE BETWEEN MAJOR BLOCH AND DEFENDANTS VON SCHNITZLER AND VON DER HEYDE, 5 JULY 1940, CONCERNING FARBEN AND THE ACTIVITIES OF THE COMPANY FOR SALES PROMOTION

Memorandum Concerning a Conference with Major Bloch, High Command of the Wehrmacht, Held on Friday, 5 July 1940.

[Handwritten note:]
(concerns Company for Sales Promotion)

Present from the IG:
Dr. v. Schnitzler
Dr. v. der Heyde.

It was brought out in the discussion that Major Bloch never imagined that the IG should finance directly orders from the OKW. It was known to Major Bloch that the Company for Sales Promotion [Gesellschaft fuer Verkaufsfoerderung] has at its disposal an allowance from the industry for the purpose of furtherance, totaling 30,000 reichsmarks. Major Bloch will ask Captain Muehlner to find out from the Research Society [Studiengesellschaft], what individual items make up the sums spent so far and amounting to about 18,000 reichsmarks. On account of the statements received so far from the Research Society about these expenses, the impression prevails that a large part will be reimbursed by the Wehrmacht, as it was not intended that the Research Society should also pay fees etc., out of the promotion allowance. Starting from the assumption that this reimbursement amounts to at least a third of the expenditure of 18,000 reichsmarks, the Research Society would still have available the sum of 18,000 reichsmarks from the fund. This remaining fund should be sufficient to pay for the duration of the war for the so-called overhead expenses, which are connected with the orders of the Wehrmacht. The expenses which the Wehrmacht causes directly will in future be taken over by the Wehrmacht itself. Particular cases, like the case Boehmer-Spain which was settled in the meantime, will be decided by special arrangement between Major Bloch, the IG, and the Research Society, in due course.

TRANSLATION OF DOCUMENT NI–8139
PROSECUTION EXHIBIT 832

TWO FARBEN LETTERS, 14 AUGUST 1940, CONCERNING THE USE OF FARBEN ADDRESSES OF PERSONS IN FOREIGN COUNTRIES FOR USE BY THE GERMAN MINISTRY OF PROPAGANDA

1. Letter to Defendant Mann, Bayer Sales Combine Pharmaceuticals, from WIPO (Berlin NW 7), Signed "Mueller" and "Eichner," 14 August 1940

IG Berlin NW 7
Unter den Linden 82

To: Consul General Wilh. R. Mann
I.G. Farbenindustrie Aktiengesellschaft
"Bayer" Sales Combine
Pharmaceuticals
Leverkusen—IG Works

[Stamp]
Management Department
"Bayer"
16 Aug 40
Received

Our reference:
Political-Economic Policy Department 4

Strictly Confidential!

Date
14 August 1940

Subject: Inquiry of the Cologne Reich Office for Propaganda [Reichspropagandaamt] regarding addresses in South America

Dear Consul General,

At the request of Leverkusen, we got in touch directly with the Reich Ministry for Propaganda in reference to the inquiry of the Cologne Reich Office for Propaganda concerning the procurement of addresses in Spain, Portugal, and the Latin-American countries. We learned on this occasion that the Reich Ministry for Propaganda required these addresses for the distribution of a periodical, entitled "Aspa," issued by a camouflaged publishing firm, and of which we gave a few copies to Director Mentzel.

We have made the following agreement with the Reich Ministry for Propaganda:

We shall notify the Ministry for Propaganda how many addresses we have available in these countries. The Ministry for Propaganda will then supply us with the number of covers required for mailing, and we shall have them addressed in Leverkusen. In that way the handing over of addresses to the Ministry for Propaganda will be avoided.

We have already requested Leverkusen to notify the Cologne Reich Office for Propaganda of the arrangements made directly by the Ministry for Propaganda.

Heil Hitler!
Political-Economic Policy Department
[Signed] MUELLER
[Signed] W. EICHNER

[Handwritten marginal note]
To Dir. Mentzel
very satisfactory arrangement!
[initials] WM [for the defendant Wilhelm Mann]

2. *Letter to Director Mentzel, Bayer Sales Combine Pharmaceuticals, from WIPO (Berlin NW 7), Signed "Rott" and "Eichner," 14 August 1940*

IG Berlin NW 7
Unter den Linden 82
To: Director Mentzel

[Stamp]
Management Department
"Bayer"

I.G. Farbenindustrie Aktiengesellschaft
"Bayer" Sales Combine Pharmaceuticals
Leverkusen—IG Works

16 Aug. 1940
Received

Our reference:
Political-Economic Policy Department 4

Date:
14 August 1940

Subject: Addresses for the Spanish and Latin-American Countries

Dear Director Mentzel,

In accordance with our agreement we have furnished the Reich Ministry for Propaganda (Dept. 7, Herr Kroeger) with lists of all addresses available to us of physicians and dentists in Spain, Portugal, and the Latin-American countries. This involves a total of approximately 43,446 addresses. As Herr Kroeger wants each address five times, he will mail us 217,230 covers, which we shall forward for you to Leverkusen. Kindly have the covers addressed and returned to us divided according to countries.

[Handwritten marginal notes:] Hauser C 4 Schmitz B.

With reference to the addresses for Argentina, Brazil, Chile, and *Bolivia,* we informed Herr Kroeger that these addresses are *not kept here with us,* but in the respective countries, and we drew Herr Kroeger's attention to the fact that it would be complicated

and dangerous to procure these addresses under present circumstances. Herr Kroeger will now procure these addresses elsewhere, and we referred him to the firms of Merck and Schering.

[Handwritten marginal note] Neither do we have the Spanish addresses.

Herr Kroeger requested us to notify the Cologne Reich Office of Propaganda, which asked you for these addresses upon his instructions, that the addresses will now be forwarded directly to Herr Kroeger in the Reich Ministry for Propaganda (Dept. 7), and that this takes care of the inquiry of the Cologne Reich Office for Propaganda.

[Handwritten marginal note] Settled by phone M. 16 Aug.

Heil Hitler!

Political-Economic Policy Department

[Signed] Rott [Signed] as deputy EICHNER

PARTIAL TRANSLATION OF DOCUMENT NI-7791
PROSECUTION EXHIBIT 862

LETTER FROM GENERAL GAUTIER, CHIEF OF THE ECONOMIC INSPECTORATE OF THE WEHRMACHT IN VIENNA, TO DR. GROSS, FARBEN OFFICIAL, 30 AUGUST 1939, CONCERNING THE FURNISHING OF A PUBLICATION ON POLISH CHEMICAL FIRMS

Brigadier General [Generalmajor] GAUTIER

Vienna, 30 August 1939
Private Address: 89, Nothartgasse 6
Telephone: A 57-0-96
Official Address: 40, Pettenkofengasse 1
Telephone: U 18-4-83, U 10-0-38

To: I.G. Farbenindustrie Aktiengesellschaft
Attention: Director Dr. Gross

Vienna I

Kantgasse 1

Dear Dr. Gross,

I acknowledge herewith the receipt of the interesting work "The Most Important Chemical Firms in Poland," for which I thank you very much. It will be read by the members of my staff, and full use will be made of it.

Heil Hitler!

Yours very sincerely,

[Signed] GAUTIER

PARTIAL TRANSLATION OF DOCUMENT NI–5950
PROSECUTION EXHIBIT 929

EXTRACTS FROM THE MINUTES OF A MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 17 APRIL 1940, CONCERNING THE COLLABORATION WITH MILITARY INTELLIGENCE AGENCIES OF GERMAN FIRMS OUTSIDE GERMANY

Minutes of the 31st meeting of the Commercial Committee, Held on Wednesday, 17 April 1940 at 9:30 o'clock in the Morning, in Berlin NW 7, Unter den Linden 78.

The following were present:
von Schnitzler, chairman
Haefliger
Hanser
Ilgner
Kugler
Mann
Mueller
Oster
Otto
Waibel
Weber-Andreae
Weiss
Frank-Fahle, Recording Clerk
In addition:
Buhl, Saxer, Terhaar } Present part of the time

* * * * * * *

2. *Mobilization Project:*
The Mobilization Project is discussed.

* * * * * * *

Berlin, 19 April 1940.
F.F./Bs. 31/40. Signed: Frank-Fahle
Signed: von Schnitzler

Strictly Confidential!

Re: Commercial Committee Meeting of 17 April 1940
Item 2 of the Agenda, "Mobilization Project"

Dr. von der Heyde reports again in detail on the collaboration of German industrial enterprises, including the IG, outside Ger-

many. In this connection he stresses especially the wishes regarding permanent assignment of workers abroad on the one hand, and occasional journeys abroad for a limited time, on the other.

As Mann and others present state, this question is doubtlessly important for IG, but the way in which the local offices are dealing with the question can hardly be considered a recommendation for the entire matter. The ensuing debate, during which other experiences with local offices were reported, resulted in the opinion being expressed that the change from the former method of dealing strictly *centrally* with these questions to a *decentralized* administration is detrimental to a matter which is, in itself, useful. Since the question under consideration has to be dealt with primarily in the commercial departments of IG, Dr. von Schnitzler is asked to take the necessary steps to assure homogeneous correlation and, henceforth, administration by one central authority of matters pertaining to this question. Dr. von der Heyde is going to prepare the way for Dr. von Schnitzler.

* * * * * * *

Berlin, 19 April 1940.
Sa/Bs.

TRANSLATION OF DOCUMENT NI-14271
PROSECUTION EXHIBIT 1904

MINUTES OF A CONFERENCE BETWEEN FARBEN OFFICIALS AND REPRESENTATIVES OF MILITARY INTELLIGENCE, 2 MAY 1941, CONCERNING COOPERATION BETWEEN FARBEN AND THE ECONOMICS COUNTERINTELLIGENCE DEPARTMENT OF THE ARMED FORCES AND LETTER FROM DEFENDANT VON DER HEYDE TO FARBEN, 22 MAY 1941

1. Minutes of Conference, 2 May 1941

[Stamp]
SECRET! No. 3 of 30 copies—20 May 1941

Minutes of the Meeting Held in Frankfurt/Main on 2 May 1941 in Regard to the Cooperation Between Abwehr I Wi [Counterintelligence I Economics] and IG

I. Introduction by [the defendant] Dr. Schneider
II. Report by Major Dr. Bloch*
III. Report by [the defendant] Dr. von der Heyde
IV. Discussion

After Dr. Schneider opened the meeting, Major Bloch, in the

* Major Bloch was the deputy of Col. Pieckenbrock, chief of the Economics Counterintelligence Department of the High Command of the Armed Forces.

name of Admiral Canaris and Colonel Piekenbrock, thanked IG for the valuable cooperation and support shown so far in the field of foreign intelligence service in regard to questions of economy and war economy. Major Bloch referred also to the problems in this field which are important for the present and the near future. He requested the further support of IG in this direction. He mentioned work on the following countries as of primary importance: The British Empire, USA, and USSR.

In his report, Dr. von der Heyde described in detail the way in which IG had cooperated so far and how, on the basis of the experience gained in this connection, the future work should be conducted systematically and expediently. He emphasized that the main purpose of the meeting consists in finding a rational and expedient method of systematic cooperation with an eye to the future. He showed why especially now in wartime it is necessary to intensify all efforts in connection with a long-range project such as this, and he stressed the fact that the cooperation of IG—like the cooperation of German economy in general—certainly should not end with the end of the war, but that on the contrary, it is necessary, especially after a successful war, to methodically win the cooperation of the entire German economy in the field of foreign intelligence service with regard to questions of economy (military economy), and thereby to include it more systematically than was the case up to the present. In the future, the general rule will have to be: *There should be no trip abroad, no stay abroad, no visit from abroad, no report from abroad, no exchange of news or experience with foreign countries without first taking into consideration whether or not Abwehr I Wi or its foreign branches are interested in it.*

In regard to the actual execution of IG's cooperation, Dr. von der Heyde discussed several measures concerning which the following was decided in the subsequent discussion:

1. *Trips abroad taken by members of IG*

a. It was shown that up to now, *reports of contemplated trips abroad* were not always made to the *Abwehrstellen* in time to submit orders or wishes. In future the Abwehrbeauftragten will take measures to inform the Abwehr agencies *as early as possible* of any intended trip. Together with this report, the Abwehr agents will inform the respective Abwehr agency whether or not the traveller concerned is qualified for missions in the field of foreign economic intelligence service.

b. Simultaneously with the report to the Abwehr Office the local Abwehr agents will in future report trips *abroad to the Buero A, Berlin,* and will inform the latter if the Abwehr agency intends to give a mission to the man travelling abroad. This is to insure

that a central IG office, which will be informed about all trips abroad undertaken by IG personnel, will be responsible for it that the *most* suitable expert is always entrusted with the execution of the mission concerned. In this connection, the decision made during a previous meeting is stressed once again, according to which *problems of general basic importance are directed by the OKW only to the Central Office of the IG* (*Buero A, Berlin*) which, in turn, will direct it towards the most expedient execution possible, within the over-all scope of IG.

c. On their part, the *Abwehr Office* will see to it that in future, *reports received by them about travels abroad are forwarded to the proper Abwehr Agency or Abwehr I Wi* in case the trip abroad is made to a territory outside their own jurisdiction.

d. The traveller returning from abroad is to report to the Abwehr agent—if possible in the presence of a gentleman from the Abwehr Office. In order to assure secrecy, this generally should be done orally. *Written reports* are to be made only in special cases. *In such cases, just as in the case of IG business travel reports, a copy is to be sent to the Buero A Berlin, for possible centralized evaluation.*

2. *Visitors from abroad*

It was stated that up to the present it has not yet been the practice for every qualified visitor from abroad to be brought into contact with the Abwehr Office. In future, the Abwehr agents, if possible, without exception, *will report to, or bring into contact with the Abwehr Office any German visitors from abroad.* In the case of visiting foreigners, the Abwehr agent, together with the Abwehr Office shall determine whether questioning of the foreigner by suitable methods is desired.

3. *Appointment of confidential agents* [*Vertrauensleute*] *abroad*

Requests made by Abwehr I Wi, *to appoint as confidential agents gentlemen employed by IG who have their permanent residence abroad, are handled only by the OKW together with the Buero A* as the central office of IG. This has the purpose of making certain that IG too possesses exact information concerning all confidential agents. For reasons of secrecy, no list of the names is to be made by the Buero A; instead, continuous personal contact for purposes of coordination will be maintained between Buero A and Abwehr I Wi.

4. *Reports of foreign representatives*

In future, the *reports of representatives* abroad which are continuously being sent to the Central Sales Offices *should all be collected, if possible without exception. The Abwehr agents send the original text to the Buero A* which will scrutinize them for utiliza-

tion by Abwehr I Wi. In this connection, the technical reports should not be forgotten which are received in the course of a continuous exchange of experience with a foreign firm, and especially reports of our technical experts regarding inspections or construction of technical installations abroad.

5. *Utilization of the material gathered in Germany proper*

In addition to economic and statistical material of the kind which until now was made available to the OKW by IG's *Berlin NW 7, special reports of the Sparten and Sales Combines,* as well as similar reports of individual sales departments, will in future also be *gathered for Abwehr I Wi.* All reports and statements of this nature *will be sent by the Abwehr agents to the Buero A, Berlin* where they will be perused, like the reports mentioned under 4 above, for the utilization of Abwehr I Wi.

6. *Assistance rendered to travelers abroad*

At the request of Major Dr. Bloch, IG will continue to aid members of Abwehr I Wi or its foreign offices as far as possible *in camouflaging travels abroad.*

In his concluding statement, Dr. Schneider instructed Dr. von der Heyde to furnish the Abwehrbeauftragte of IG with these directives issued for future guidance on the basis of the decisions arrived at during this meeting. Major Dr. Bloch is going to instruct his associates along the same lines.

2. Letter from Defendant von der Heyde to Farben Employee von der Bey, 22 May 1941, Requesting Cooperation in Intelligence Matters and Forwarding Minutes

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

BUERO A

[Stamp] IG Bitterfeld
Technical Administration
22 May 1941
Record No. 1881 g [Secret]

Berlin NW 6, 22 May 1941
Unter den Linden 78

[Stamp]
SECRET:

To: Director von der Bey

Subject: Meeting in Frankfurt/Main on 2 May 1941, concerning cooperation between Abwehr I Wi and IG

By order of Director Dr. Schneider, Leuna, we are sending you

enclosed the report* on the above-mentioned meeting which was approved by the gentlemen from the OKW. You are requested, in accordance with the directives given in this protocol, to give your very special attention to our cooperation in the performance of the important tasks of Abwehr I Wi.

I.G. Farbenindustrie Aktiengesellschaft Buero A

[Signed] E. VON DER HEYDE

PARTIAL TRANSLATION OF DOCUMENT NI-11075
PROSECUTION EXHIBIT 1905

EXTRACTS FROM THE MINUTES OF A MEETING OF THE COUNTER-INTELLIGENCE (ABWEHR) OFFICERS OF FARBEN, 29 NOVEMBER 1940, SIGNED BY DEFENDANT VON DER HEYDE

65 Copies; Copy No. 9
23 December 1940
vdh/be
[Stamp]
Secret!

Minutes, Meeting of the Security Officers [Abwehrbeauftragten] of IG held in Berlin on 29 November 1940

I. After welcoming those present [the defendant] Dr. Schneider described the new Abwehr [security] organization of the IG which is desired by the OKW and which is contemplated by us. He explains the meaning and purpose of this security organization and outlines the tasks of the chief security officer [Hauptabwehrbeauftragter] and his deputies in contrast to the unchanged functions of the local security officers. He emphasizes especially that the security officer [Abwehrbeauftragter] receives instructions only from his security office [Abwehrstelle], and that the chief security officers [Hauptabwehrbeauftragten] are available for consultation, assistance and coordinated functioning of the security organization in IG. Dr. Schneider then announces the division of labor agreed upon, which is to be effected in close collaboration between the Leverkusen central office of the IG Werkschutz and the Berlin office of the chief security officers.

* * * * * * *

II. Reports

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* This refers to the minutes of the meeting of 2 May 1941, reproduced above as a part of this document.

4. In view of the information that the chief of the security police and of the SD has appointed Dr. Schneider to the position of (political) security officer "for the entire enterprise," and Dr. von der Heyde, similarly, as his deputy; the latter reports on the *tasks of the political security officer,* as performed in contrast to and in conjunction with the military security [Abwehr] organization. The political security officer must pay special attention to disturbances among employees (political or strike instigations, atrocity propaganda, etc.) and the seizure of persons or organizations which are against the government. One of the main activities of this security organization consists in the preventive measures taken by the security officers, such as early recognition of antisocial and unlawful conditions or happenings among the employees, which might be exploited by anti-government elements (such as former or present enemies of the government of all the various political factions, persons who are suspect because of their bad reputation or criminal record) for the purpose of causing disturbances, instigating riots, and committing acts of treason and sabotage.

* * * * * * *

III. Discussion

* * * * * * *

4. Starting with a question of v. Heider regarding permission to train foreign personnel in the plants for the sales organizations abroad, the dangers involved in *employing foreign labor* in armament and defense plants are discussed in detail. Dr. Schneider sees the best remedy in—

a. granting leave as extensively as possible to drafted IG workers and employees;

b. if that is impossible, it is better to employ prisoners of war than civilian foreigners;

c. if, nevertheless, it becomes necessary to employ civilian foreigners in the armament industry, their supervision and also if possible investigating them in their home towns should be considerably intensified.

Dr. Schneider recommends that OKW/Abw. III should repeatedly and urgently point out the danger which the employment of foreigners in the armament industry entails, and that the offices of the Ministry of Labor as well as the Gestapo should be warned. Von der Heyde will continue to deal with the problem, which has already been discussed with the OKW, in conjunction with the latter and with the Gestapo.

* * * * * * *

6. Following the report on the tasks of the political security officers [Abwehrbeauftragte], it is ascertained that only about half the number of the security officers present have been given a definite *appointment as political security officers.* The reason obviously is that the agreement between OKW and the Reich Security Main Office [Reichssicherheitshauptamt] regarding the appointment of security officers was made only in 1937, while some security officers have been discharging their functions for a longer period. Von der Heyde will make general inquiries at the Reich Security Main Office whether this surmise is correct.

Dr. Schneider ends the session by thanking those present, and with the statement that such conferences of the security officers of IG shall take place about every half year.

Signed: VON DER HEYDE.

TRANSLATION OF DOCUMENT NI–2788
PROSECUTION EXHIBIT 379

LETTER FROM FARBEN, SIGNED BY WAIBEL AND DEFENDANT ILGNER, TO THE FOREIGN ORGANIZATION OF THE NAZI PARTY, 31 JANUARY 1942, CONCERNING THE ASSIGNMENT OF ONE FARBEN ORGANIZATION TO BE RESPONSIBLE FOR COLLABORATION WITH THE FOREIGN ORGANIZATION

31 January 1942

To the Foreign Organization of the NSDAP

For the attention of the Chief of the Gau Office [Gauamtsleiter] Christians

Berlin-Wilmersdorf, Westfaelischestrasse 1–3

We refer to your suggestion, made to Kommerzienrat Waibel, to set up an office in our firm, which would be solely responsible for our collaboration with you and to which would be directed all matters concerning our business dealings with you, and in this connection we take the liberty of informing you of the following:

For quite some time, our company has utilized the services of the WIPO [Political-Economic Policy Department], which is set up within the framework of the organization of IG, Berlin NW 7, and functions as a central office which is competent to act as intermediary in our dealings with the authorities, and to which most affairs concerning the Foreign Organization in the past, too, were directed. In accordance with your suggestion we will, however, gladly see to it that in future the Political-Economic Policy Department, without affecting collaboration of those offices of our firm which are essentially interested in the questions to be dealt with, shall always be available for cooperation with you on all

questions. In order to facilitate your dealings with our firm, may we suggest that you, too, direct all inquiries and suggestions concerning our firm to the Political-Economic Policy Department, which will see to it that they are immediately transmitted to the appropriate offices in our firm for suitable action, in order to make sure that, in compliance with your wishes, all questions will be expeditiously handled by our firm.

We should like to take this opportunity to express the hope that this arrangement will contribute to bringing about a closer and successful collaboration between yourselves and us.

Heil Hitler!

I.G. Farbenindustrie Aktiengesellschaft

Signed: WAIBEL
Signed: ILGNER

Initial: W

TRANSLATION OF DOCUMENT NI-14312
PROSECUTION EXHIBIT 2141

FARBEN FILE MEMORANDUM CONCERNING A CONFERENCE RELATING TO COUNTERINTELLIGENCE (ABWEHR) MATTERS, 2 MAY 1941

Copy to Director Dr. Gajewski
Copy to Director Dr. Kleine

Wolfen 4 May 1941
Rss/Ke.

IG Film Factory Wolfen

[Stamp]
SECRET!

[stamp] Secretariat Dr. Gajewski
Received: 5 May 1941
79394 [initial] G [Gajewski]

Memorandum on the Conference about Abwehr (Counterintelligence) Matters Held in Frankfurt/Main on 2 May 1941

Apart from the participants invited by Dr. Schneider, the counterintelligence officers [Abwehroffizier] of the various military districts [Wehrkreise] who are in charge of the activities of Department I, took part, under the leadership of Major Bloch, deputizing for Admiral Canaris, who was unable to be present as he had to report to the Reich Marshal.

After some brief remarks by Major Bloch, in which he particularly stressed the fine cooperation with IG, Herr von der Heyde of our Department A in the Vermittlungsstelle W made a long report in which several fundamental questions were posed.

1. Up to now, whenever employees of IG travel abroad, the Chamber of Industry and Commerce, and in special cases, the counterintelligence officers, are informed. Von der Heyde suggested that Department A, meaning himself, should also be notified, so that Department A could participate if necessary. Major Bloch and the counterintelligence officers present were against this centralization. The Foreign Organization [AO] hears about the trip through the notification we have to submit to the Chamber of Industry and Commerce in order to obtain the identity papers, and it is the responsibility of the military to inquire directly from Berlin whether there are any special requests for this trip. The question of centralization, such as von der Heyde also proposed it with regard to his other points, was in principle not considered desirable, either by the military authorities or by the counterintelligence officer of the IG. It is left to the discretion of the counterintelligence officers to what extent they wish to notify and include Department A.

2. Naturally, a selection must be made among IG employees who travel abroad, according to their suitability for carrying out the tasks concerned. It is left to the judgment of the counterintelligence officer to discuss their suitability with the Foreign Organization. The decision about the suitability is, however, entirely the concern of the counterintelligence officer.

3. Reports from abroad sent in by our representatives and officials employed abroad are brought to the notice of the local Foreign Organization if they contain interesting information. When such persons visit our plants the counterintelligence officer can and should call in the Foreign Organization if he considers this necessary. It is not necessary for a special report to be made to Department A as suggested by von der Heyde.

4. The training of men who are to be entrusted with such tasks (including those who are departing for abroad as well as those who are residing abroad), can only be conducted individually by the counterintelligence officer, possibly in consultation with the Foreign Organization, but never jointly.

5. With regard to the monthly reports sent by the agencies abroad to the Commercial Departments, Herr von Heider promised that carbon copies or duplicates, but in any case not merely extracts, would be given to the Foreign Organization for information. Since, however, this also concerns a great deal of material dealing with private enterprise, I believe that this method goes too far. One should really take the trouble and make extracts and only submit these.

In the same way it would be advisable for compilations about various products and their administration, for instance the proc-

essing of leather in a certain country, orders for textiles from an enemy country to neutral countries abroad, Swiss watches, jewels for England, or similar matters, to be given to Department A in each case; Department A will make the information available to the military authorities. The local Foreign Organization should, of course, be informed immediately of particularly striking occurrences.

The following are to be considered enemy countries at present: England and the entire British Empire, the United States, and Russia; it is stressed that with regard to Russia this is merely a precaution in view of a certain latent tension.

I do not think that we in Sparte III need to take any special measures in the works as a consequence of this conference. In the Sales Department it should be checked to what extent it is possible for the counterintelligence officer to observe the directives SO 36, and possibly to take up closer connections not directly with Department A, but rather more with Herr von Heider, Frankfurt, who seems to have the most experience and knowledge in this connection.

[Signed] RIESS

TRANSLATION OF DOCUMENT NI-631
PROSECUTION EXHIBIT 802

LETTER OF FARBEN'S VORSTAND MEMBER WAIBEL CONCERNING A LUNCHEON FOR MEMBERS OF THE FOREIGN ORGANIZATION OF THE NAZI PARTY, 13 OCTOBER 1942, AND A LETTER BY THE DEFENDANT HAEFLIGER DECLINING THE INVITATION TO THE LUNCHEON

Frankfurt/Main 20
13 October 1942
Grueneburgplatz

Hermann Waibel
Member of the Vorstand
of I.G. Farbenindustrie A.G.

[Stamp]
Management, Dept. Chemistry
Received 14 October 1942
Answered 26 October 1942

Confidential!

To:

Director Dr.	G. von Schnitzler	Frankfurt a.M.
Director	P. Haefliger	Frankfurt a.M.
Director Dr.	M. Ilgner	Berlin
Director W.	R. Mann	Berlin
Director Dr.	H. Oster	Berlin
Director	W. Otto	Berlin
Director	E. Weber-Andreae	Frankfurt a.M.
Director Dr.	K. Krueger	Berlin
Director Dr.	G. Frank-Fahle	Berlin
Dr.	J. Terhaar	Berlin
	E. Mueller	Berlin
	H. Gierlichs	Berlin

Re: Luncheon to be given for members of the Foreign Organization of the NSDAP

The Commercial Committee decided, in July of this year, to make the return from U.S.A. and Latin America of the leading personalities from the Auslands-Organisation of the NSDAP the occasion for giving a luncheon for these gentlemen as well as for the leading personalities of the Auslands-Organisation Berlin, as a special courtesy and also in order to improve the good relations with the Auslands-Organisation. I made preliminary inquiries from the management of the AO together with Director Dr. Frank-Fahle, as ordered, and there found grateful appreciation of our suggestion as well as complete willingness to agree to it. Gauleiter

Bohle* specially favored this idea and will personally take part in the meeting.

After discussion with Gauleiter Bohle and the head of the Foreign Trade Office, Gauamtsleiter Christians, it was decided that the luncheon will take place on Wednesday, 4 November, at 1300 in the Hotel Adlon (Raffael Room). Dress: Dark informal suit. The gentlemen from the Auslands-Organisation mentioned in the attached list will be invited.

[Handwritten marginal note] Notify L.

In agreement with Director Dr. von Schnitzler I am taking the liberty of inviting you, gentlemen, to the above-mentioned meeting. Will you please directly notify Director Dr. Frank-Fahle, Berlin NW 7, Unter den Linden 82, of your acceptance of the invitation.

[Handwritten marginal note] refusal? because in Italy? N.

With kind regards and Heil Hitler,

your

Enclosure [Signed] WAIBEL

List of the gentlemen of the Auslands-Organisation *to be invited to the luncheon to be held on 4 November 1942 at the Adlon*

Gauleiter E. W. Bohle
Stabsamtsleiter B. Ruberg
Gauhauptstellenleiter Spahn, Personal Referent of the Gauleiter
Head of Laenderamt IV, Gauinspekteur [Gauamtsleiter] Huebner
Head of Laenderamt VI, Gauinspekteur Grothe
DAF-AO Gauhauptstellenleiter Ravens
Foreign Trade Office, Gauhauptstellenleiter Schleicher
Foreign Trade Office, Gauhauptstellenleiter Brehm
Head of the Foreign Trade Office Gauamtsleiter Christians
Office of the Auslands-Organisation in the Reich Ministry of Economics Gauhauptstellenleiter Rosenberg
Landesgruppenleiter Mueller (Argentina)
Landesgruppenleiter Pruefert (Colombia)
Landesgruppenleiter Hentschke (Guatemala)
Deputy Landesgruppenleiter Goedde (Brazil)
Kreisamtsleiter Thomsen (Uruguay)
Gauhauptstellenleiter for special assignments Sandstede (Argentina)

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* Ernest Wilhelm Bohle, chief of the Foreign Organization of the NSDAP (Auslands-Organisation) from 1933 to 1945, served from January 1937 to November 1941 as Chief of the Foreign Organization in the German Foreign Office, and from December 1937 to November 1941, as a State Secretary in the German Foreign Office. A Gauleiter in the NSDAP, also, he bore the rank of Lieutenant General in the SS, and was a defendant in the "Ministries case," (Case 11), see vols. XII–XIV, this series.

26 October 1942

To: Kommerzienrat Waibel
Frankfurt a.M.

Re: Luncheon for members of the Auslands-Organisation of the NSDAP

I thank you very much for your kind invitation, but unfortunately, as I already told you verbally, I am not able to accept as I shall be on a trip abroad at that time. I would have liked to take part, as I told you.

In any case I wish you and the other gentlemen a successful meeting.

With best wishes and Heil Hitler!

Yours,
Signed: HAEFLIGER

[Handwritten Note] To Dir. Frank-Fahle, Berlin

3. AFFIDAVIT OF GUENTER HAUSEN

TRANSLATION OF DOCUMENT NI–9776
PROSECUTION EXHIBIT 822

AFFIDAVIT OF GUENTER HAUSEN, FARBEN BOOKKEEPER, 15 AUGUST 1947, CONCERNING PAYMENTS TO GERMAN DIPLOMATIC REPRESENTATIVES ABROAD AND TO THE FOREIGN ORGANIZATION OF THE NAZI PARTY ABROAD

I, Guenter Hausen, Leverkusen-Schlebusch, Kalkstr. 222, after having been warned that I will be liable to punishment for making false statements, state herewith under oath of my own free will and without coercion as follows:

I. On 1 April 1923 I entered the service of the then Badische Anilin- und Sodafabrik as bookkeeper and was transferred to Leverkusen in 1930. In 1932 I was granted power of procuration and entrusted with the management of the "Bayer" sales accounts department.

II. Our agencies abroad made payments to German diplomatic representatives and to the NSDAP or its affiliated organizations in foreign countries, and we received the equivalent here in reichsmarks. Since the entries on our current account cards did not suffice in all cases for finding out about these payments, the vouchers of ZEFI [Central Finance Administration] were consulted for this purpose from 1933 on. Apart from that, the applications for foreign exchange permits, and the correspondence available in connection therewith, were used as a check.

III. With the help of these records the following figures were determined:

Country / Date	Amount in foreign currency		Reichsmarks	Paid to	Through
Brazil					
15/2/40	Cruzeiros	4,000	655,737.60	German Embassy, Rio de Janeiro	"Bayer" Rio de Janeiro
11/3/40	do	2,000	327,868.80	do	do
5/4/40	do	1,000	163,934.40	do	do
9/5/40	do	1,000	163,934.40	do	do
11/6/40	do	1,000	163,934.40	do	do
11/7/40	do	1,000	163,934.40	do	do
1/8/40	do	1,200	196,721.31	do	do
19/2/41	do	1,800	295,081.92	do	do
7/4/41	do	3,000	491,803.21	do	do
21/5/41	do	1,000	163,934.40	do	do
17/7/41	do	500	81,967.20	do	do
22/7/41	do	500	81,967.20	do	do
26/8/41	do	200	32,786.90	do	do
16/1/42	do	1,000	163,934.40	do	do
(Missing)	do	3,000	491,803.21	do	do
		22,200	3,639,343.75		
Columbia					
19/2/41	Pesos	15,000	25,862.00	German Embassy, Colombia	La Quimica "Bayer" Colombia
23/10/41	do	40,000	68,965.50	do	do
1/12/41	do	40,000	68,965.50	do	do
Indochina					
29/11/44	Piasters	15,000	7,500.00	German Armistice Delegation	
17/4/45	do	23,487.52	11,743.80	do	
China					
22/12/44	CRB$	3,000,000.00	7,265.62	German Embassy Shanghai	"Bayer" Pharma Co., Shanghai
12/1/45	do	7,000,000	14,218.75	do	do
20/2/45	do	15,000,000	27,600.	do	do
2/3/45	do	11,000,000	14,960.	do	do
24/3/45	do	9,000,000	16,560.	do	do
Northern China					
27/2/45	FRB$	300,000	2,625.	German Embassy Shanghai	"Bayer" Pharma Co., Shanghai
27/2/45	do	1,100,000	11,687.50	do	do

Country date	Amount in foreign currency		Reichsmarks	Paid to	Through
Chile					
11/3/40	Pesos	400,000	49,079.80	German Embassy Santiago	La Quimica "Bayer," Santiago
4/4/40	do	400,000	49,079.80	do	do
Argentina					
26/6/40	Pesos	180,000	118,677.40	German Embassy, Buenos Aires	La Quimica "Bayer," Buenos Aires
Spain					
18/6/40	Pesetas	2,501,233.08	586,641.50	German Embassy, Madrid	La Quimica, Barcelona
7/10/42	do	212,000.	50,000.00	Foreign Organization of the NSDAP, Madrid	do
21/12/42	do	212,000	50,000.00	do	do
5/3/43	do	5,200,000	1,226,415.09	German Embassy, Madrid	do
8/3/43	do	1,000,000	235,850.00	do	do
8/3/43	do	5,500,000	1,297,175.00	do	do
22/3/43	do	62,000	14,622.64	do	do
9/4/43	do	7,500,000	1,768,875.00	do	do
9/4/43	do	3,115,000	734,672.75	do	do
13/3/43	do	5,002,148.71	1,179,756.75	do	do
		27,379,148.71	6,457,367.23		
refunded	do	3,115,000	734,672.75		
	do	24,264,148.71	5,722,694.48		
Manchukuo					
15/7/40	Yuan	67,918	39,800.	German Legation, Hsinking	"Bayer" Pharma Co. Hsinking
15/9/41	do	----------	11,661.40	do	do

Country date	*Amount in foreign currency*		*Reichsmarks*	*Paid to*	*Through*
Thailand					
27/2/41	------	------	4,400	German Legation, Bangkok	Mentzel & Co., Bangkok
20/3/41	Ticals	12,200	10,908	do	do
24/4/41	do	8,600	7,664.80	do	do
22/5/41	do	8,600	7,740.	do	do
9/8/41	do	7,500	6,855.50	do	do
10/9/41	do	7,500	6,750.	do	do
3/11/41	do	7,500	6,834.40	do	do
10/11/41	do	7,500	6,900	do	do

In addition, the following payment was received on 10 April 1945 from the legation treasurer [Legationskasse] of the Foreign Office through ZEFI [Central Finance Administration], Berlin; it has not been possible to ascertain from which country it originated and who has received the equivalent.

10 April 45 Reichsmarks 1, 146,250 from the Legation Treasurer

I have read each of the four pages of this affidavit carefully and have signed them personally. I have made the necessary corrections in my own handwriting and initialed them, and I declare herewith under oath that I have stated the pure truth to the best of my knowledge and belief.

Leverkusen, 15 August 1947

[Signed] GUENTER HAUSEN

4. TESTIMONY OF DEFENDANTS MANN, ILGNER, AND SCHNEIDER

a. Testimony of Defendant Mann

EXTRACTS FROM THE TESTIMONY OF DEFENDANT MANN*

DIRECT EXAMINATION

* * * * * * *

DR. BERNDT (counsel for defendant Mann): I now turn to paragraph 58 of the indictment. There the prosecution contends that the foreign agents of Farben were the germinating core of National Socialist mongering all over the world, and that Farben employees were camouflaged as businessmen to the outside world, but that they were actually employed in espionage and intelligence activities in connection with Germany's preparation for war. Before you answer that question, would you please comment about the propaganda.

DEFENDANT MANN: Within the framework of Farben, the Sales

* Further extracts are reproduced in section V C above and section VIII E, volume VIII, this series.

Combine Bayer was undoubtedly the part which did most of the economic publicity work. We addressed a large number of purchasers all over the world, not only physicians and pharmacists, but also the little consumers. The materials which were bought by the little consumers and which did not have to be sold on a prescription basis, that is to say, which were sold freely in the stores, the selling of this material could only be effected by publicity and advertisements. For that purpose we set up a large publicity machine, but we never, never put this advertising machine in the service of the National Socialist propaganda.

Q. I want to interrupt you. Will you please explain the difference between the word "propaganda" in German and the word "propaganda" in English?

A. I believe that has been done. "Propaganda" in English is more political, and "propaganda" in German is used mostly in the sense of advertising.

Q. Very well. How about this charge of the prosecution?

A. I can only answer that all the requests which were addressed to us to combine political propaganda with our commercial advertisements were flatly rejected. It was not at all possible, because we were always given sample copies of all of our economic advertisements for the business abroad, which was usually done by our agents abroad, and we therefore knew exactly what material was contained in these advertisements and what material was distributed abroad.

Q. Did the commercial advertisements for Bayer products increase after 1933?

A. Within the framework of the general development of our business, but not in connection with the political development.

Q. Doesn't a certain connection exist, nevertheless, in connection with the political development, but in another sense than understood by the prosecution; namely, because German products were boycotted abroad and that your advertisements were influenced by this?

A. That is correct. That is, of course, special circumstances which were caused by the judgment abroad of the rise to power of Hitler. Particularly in 1934, when the culmination of German boycotting was reached abroad, I considered it my duty, in order to safeguard Bayer's business interests, to publish information for the use of our agents abroad in which I described, to the best of my belief, the situation as I saw it at the time. I must emphasize that the reason why I did anything at all in that direction was, of course, solely to safeguard the business interest of Bayer.

Q. I shall deal with that point later when I present the docu-

ments. I believe that these statements suffice. May I ask you to come now to the question of the so-called liaison men?

A. In view of the large size of Farben, its international relations, the tremendously large variety of products, its scientific and technical standards, it was a matter of course that we had an economic intelligence service that could not be good enough. Next to the information given to us by the Political-Economic Policy Department [WIPO] and the Economic Research Department [VOWI], about which subject my colleague Ilgner has already dealt—we gained additional economic information from abroad through our Farben liaison men. We also got information from Germany, but that was so self-evident that I do not even have to make a pretense of discussing it now. Among these liaison men, there were a few people from Bayer as well. I read their reports, and I must admit that I did not find anything in them that might, in any way, look like information of an economic espionage service.

We were interested in getting all the information that we needed in order to be able to evaluate properly our business relationships—for instance, as to the documents which have been submitted quoting certain passages from newspaper articles, which everyone could read, in reference to the increased military budget of a South American country. Such articles were sent to us by our liaison men, and it is quite clear that we had to know about it because if a country increases its military budget, it also means an increase for the medical services of the Army. There would be certain competition conducted for remedies, and because we intended to participate, we had to know of these things as early as possible.

Q. According to what principles were these liaison men chosen?

A. Solely upon technical and professional considerations.

Q. Mr. Mann, I should like to ask you to look at document book 44 of the prosecution. Have you that book before you? There is Document NI–10267, representing Prosecution Exhibit 782,* page 89 of the English, and page 99 of the German, which is a letter to the Winthrop Chemical Company, New York. Attached to this letter is circular letter No. 27 of the directorate, dated 14 December 1933 [NI–10267, Prosecution Exhibit 782]. I ask you about this because the prosecution emphasized this letter particularly. Will you please comment on that?

A. For many years, even before 1933, it was customary for us —that is, the Bayer Sales Combine—to send a survey of the past business year to all of our agents. At the end of 1933, the business year was compared with others and a cumulative survey

* Reproduced above in subsection D 2.

drawn up in which I gave information about business developments; I also took this opportunity to make general statements about the developments in 1933 under the new National Socialist government. I believe that that statement was objective and quite calm. It was not to be any propaganda for the Nazis. Our representatives, to whom these reports were sent, were to get from these reports information on the situation as we looked at it at the time, and nothing else was intended by these reports. The report very strictly represents the opinions that I myself held at the time, and that I have already described yesterday in this courtroom. I believe that, on the basis of this letter, one may charge me with having committed a political error, but that isn't evidence on which one can be indicted in a so-called "war criminals" trial.

Q. In the same volume, there is Document NI–8424, Prosecution Exhibit 784[1] which is intended to show that Bayer sent the Reichstag speech of Hitler of 30 January 1934 to Belgium.

A. I cannot answer this from my own knowledge. I do not know whether Bayer considered sending this speech to Belgium. However, if it was done—which is quite possible—then I cannot consider this to be anything strange because the contents of this speech were published throughout the world in newspapers, and broadcast on radios. I assume that some particular passages in this speech—passages which are no longer with me now—had some relation to the economic question; for instance, export, and so on.

Q. In the same volume, on page 93 of the English, Document NI–8420, Prosecution Exhibit 783,[2] there is contained a charge that Bayer sent a speech by Hitler, with reference to the readiness for peace of Germany, to about 16,000 physicians.

A. It was, I think, a speech made in 1933, and asked for understanding among the nations. If I distributed a speech in which the Supreme Chief of the German Reich asked for peace, then it was only to show that he wanted an understanding among the nations.

Q. On page 95 of the English of the same book, there is Document NI–8421, Prosecution Exhibit 785.[3] This mentions that Bayer advertisements had appeared in foreign newspapers and that a circular letter of the directorate was sent around insisting that advertisements in these newspapers were prohibited. What have you to say about that?

A. That was not a prohibition that these advertisements be

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[1] Ibid.
[2] Ibid.
[3] Ibid.

banned in foreign newspapers generally, but only newspapers that had incited hatred and slandered Germany in their columns. I could not approve the publication of advertisements in those papers. One does not give advertisements to newspapers that slander one's own homeland. No one, I believe, would do that.

Q. Document NI–8422, Prosecution Exhibit 786,[1] on page 96 of the English, in the same book, contains a record of a meeting of the directorate of Bayer under your chairmanship. Under paragraph 110 it is said: "It has to be demanded of our representatives and agencies abroad that they refrain from any political activity against the German Reich. At the next possible opportunity the gentlemen are to be verbally pledged accordingly."

A. Am I to comment on this?

Q. Please go ahead.

A. I can say that that is just as self-evident as the case previously described. I am not going to hire or retain any representatives whom I know would work against my homeland.

Q. In book 45, on page 2 of the English, there is Document NI–6488, Prosecution Exhibit 800.[2] This charges Bayer with having made available propaganda material for the Brazilian radio. Do you know anything about that?

A. Yes, quite a great deal. The President of the Republic of Brazil asked us, at the time, to make available to him or the Ministries concerned, certain documents for a radio speech that was to be given against communism. I agreed in this case, and it can be seen from the documents that we used the opportunity to ask our agents not to accept such matters in the future but to direct them to the official agencies. The fact that we made our gentlemen abroad available to help in such a program should not be held against us.

Q. In the same book 45, on page 18 of the English, there is Document NI–8428, Prosecution Exhibit 803.[3] This is the minutes of a meeting of the directorate of Bayer on 16 February 1938, under the chairmanship of W. R. Mann. The prosecution emphasizes particularly that under paragraph 81, it says, "The chairman," that was you, "pointed out our unequivocal National Socialist orientation in the entire Bayer Sales Combine Pharmaceuticals." Since the prosecution emphasizes this particular point, I must put it to you also.

A. That was the point approximately at the end of 1937 or at the beginning of 1938, when we received particularly serious complaints of the Party agents [sic], particularly the OA [For-

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[1] Ibid.
[2] Ibid.
[3] Ibid.

eign Organization of the Nazi Party], with reference to the conduct of our agents abroad. In my testimony this morning, I have already pointed out this circumstance. I considered it absolutely necessary to have this incorporated into the minutes of this meeting, so that I could point to this record when I had any dealings with the AO in the future. I had no other purpose in mind with reference to this portion of the record.

A. In the same minutes, under paragraph 85, there is found another remark, with reference to the fact that "the few remaining foreign Jews have to be systematically eliminated from our agencies." This has been used directly against you by the prosecution, Mr. Mann. What have you to say about that?

A. May I remind you of the regulation about the elimination of Jews from the economy, which is a National Socialist law, and may I further remind you of the other regulations that I have mentioned already this morning. Nothing could be done against the regulation itself, of course, but we did one thing. We could continue the execution of the regulation in such a manner that it did not have such a harsh effect on the people as it was originally intended to have. When paying compensations to our agents, we were very liberal and magnanimous. This is a fact about which you, Dr. Berndt, are going to present documents to the Tribunal. To evade this regulation altogether was entirely impossible.

Q. In book 45, page 170 of the English text, there is Document NI–6489, Prosecution Exhibit 129.* Do you have it before you?

A. Yes.

Q. This contains a letter signed by you, directed to a certain Homann in Buenos Aires, dated 25 February 1938. In this letter you request your foreign representatives to support the agents of the Party in their official work. What have you to say about that?

A. If one considers and calls back to mind the difficulties of those times, then I think particularly of the fact that any dispute that arose with Party agents abroad—and that happened almost constantly in all countries in which we had any business—in the final analysis, came back to me. It was very easy for our representatives abroad to keep aloof from the Party. After all, they merely need not maintain any contact with them abroad, because, in foreign countries the Party had no power. We felt that power only here in Germany, and the AO abroad, in any country, of course, wrote to its agency in Berlin. This agency (Berlin), in turn, wrote to a certain Mr. Waibel, a member of the Vorstand, who had taken it upon himself to deal exclusively with questions of the AO. Mr. Waibel wrote me a letter and then, finally, I had

* Ibid.

to make some decision in this matter, and therefore I had to say to these agents abroad, "Do not make it so easy for yourself and, by so doing, make it so hard for me. Can't you see to it that you get some understanding with these people?" It is easier to evade the difficulties abroad and to remove them by talking to these people, rather than to have everything come back to me to make the difficult decision. That was the purpose of this letter which, by the way, was sent to all agents abroad.

Q. Document NI–9898, Prosecution Exhibit 780, in Book 44, on page 83 of the English, refers to a circular letter of the Directorate No. 23, dated 29 March 1933.[1] This refers to the incitement not to buy German goods abroad. How about that?

A. This circular letter No. 23 is a proof for my attitude in regard to the procedure against the Jews, which I always maintained. This circular letter, signed by me, the photostatic copy of which I have before me, states: "We regret tremendously that the conduct of certain foreign circles leads to retaliation steps against Jewish businesses at home, and we hope that this is only a temporary countermeasure." I believe this clarifies how this circular letter is to be understood.

Q. In the same book, on page 102 of the English, there is Document NI–4613, Prosecution Exhibit 788.[2] This contains correspondence dealing with the foundation of a correspondent's office in Argentina. This office was to work in a camouflaged manner. Do you know anything about that?

A. I didn't know about this matter as such, but through your efforts, Mr. Berndt, it was possible to reconstruct these events, and we were able to find out that this had nothing to do with the Party at all. It was a purely economic consideration to set up or to support a correspondent's office in Argentina under the patronage of the German Chamber of Commerce in Buenos Aires. No state or Party agency had any thing to do with this affair. These were purely economic considerations, and the camouflage referred to the fact that it was an association incorporated

[1] Circular letter No. 23 was later introduced as Document Mann 525, Mann Defense Exhibit 141 reproduced above in subsection D 2. Prosecution Exhibit 780, which is not reproduced herein, contained two letters, with enclosures, from Werner Siering in Santiago, Chile, dated 13 and 20 April 1933. The first of these letters mentioned the circular, stating: "I was glad to be able to gather definite and detailed particulars of the movement from your letter No. 23, and I have adopted your suggestion of having the part of your letter which came in question for publicity translated and printed as a circular letter to be sent to all doctors, dentists, chemists, our contractors and clientele in the country, as well as delivered to all daily papers, leading personalities, deputies etc. At the suggestion of the German Consulate here, I additionally sent a few copies of the circular letter to the 17 consulates and vice consulates in the country for redistribution to important officials. I enclose one copy of this letter, which is to be distributed today." The enclosure was in Spanish.

[2] Reproduced above in subsection D 2. This document consists of a number of letters and memorandums of Farben concerning establishment and financial support of a news agency in Argentina. A memorandum of the office of Farben's Central Committee, dated 12 November 1935, shows that contributions of 300 to 500 pesos per month were approved.

according to Argentina law which was not to show its German character.

Q. The prosecution furthermore contends that by making available money, Bayer had supported intelligence offices, and to prove this contention, Document NI–9776, Prosecution Exhibit 822[1] in book 45, on page 175 of the English, has been submitted. In this exhibit, a contribution of 50,000 reichsmarks is mentioned, which was paid in December 1942, in Madrid, to the AO, the Foreign Organization of the NSDAP. It was paid by way of La Quimica, Barcelona. Do you know anything about that?

A. I was able to check this affair and I can clarify this matter. La Quimica, Barcelona, was our agency in Spain; the provincial chief of the Foreign Organization of the Party in Spain was at the same time the chairman of the German schools in Spain, and in that capacity he asked us for a contribution to reconstruct a certain school that had been destroyed during the civil war in Spain. We made a second contribution to the same address in connection with remedies and pharmaceuticals; both contributions have nothing to do with political contributions. They are only of a charitable and cultural nature to support Germandom in Spain. I did not consider that a crime at any time.

Q. In book 46, on page 3 of the English, Document NI–1104, Prosecution Exhibit 826,[2] has been submitted. This deals with making available 300,000 pesos in April 1941, on behalf of the German Embassy in Buenos Aires. First of all, tell me what is the approximate value of 300,000 pesos?

A. Thirty thousand reichsmarks.

Q. And what do you know about the affair?

A. The German Embassy in Buenos Aires, upon the instigation of the Reich Ministry of Economics, requested this amount for purposes of the Reich in Buenos Aires, that is to say in Argentina. The transfer of foreign exchange from Germany to Argentina was not possible at the time because of foreign exchange regulations valid in Argentina; and the Reichsbank, which was the supreme agency controlling all foreign exchange payments to German firms, instructed us to make available, from our income of pesos in Buenos Aires, 300,000 pesos for the German Embassy. We were only a paying office; we had nothing to do with the event itself.

Q. In the same book, there is Document NI–7666, Prosecution Exhibit 827,[3] on page 5 of the English. This maintains that Chimica "Bayer" in Brazil was liquidated because of espionage activity. What do you know about that?

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[1] Reproduced above in subsection D 3.

[2] Not reproduced herein.

[3] Not reproduced herein.

A. About that we merely know that it is correct that, during the course of the war, all branches of German firms in South America were liquidated. The reason that was given was espionage activity, but it was never proven. We never received any certificate or confirmation that this reason was really the sincere underlying reason, but we believed, since all branches were liquidated (all German branches in South America were liquidated because of espionage activity), we believed that one gave that as a general reason because one wanted to give some legal justification.

Q. In the same document, under the next paragraph, it says that this Chimica "Bayer" was fined 1,146,250 reichsmarks, a very considerable fine; what do you know about that?

A. I still remember this case because we found ourselves very much involved with this at the time. The basis for this transaction was an event similar to the one described by me before. The Reich needed foreign exchange for its purposes abroad, and it used our income that we had in the country concerned to get foreign exchange for itself, something that was quite within the competency of the Reichsbank and only within its competency. We also were interested in these transactions, and that is the reason why we agreed. Our interest was that our assets abroad had been frozen in many cases, because the country concerned didn't permit any adequate transfer, and in that way we were able to have our income in pesos at Buenos Aires received by a German agency in Argentina, and the Reichsbank in Germany put it to our credit in reichsmarks. This way two parties were helped. The German agencies had their foreign exchange and we had our credit in Germany. This fine because of illegal commercial machinations was, in reality, a fine because of infraction of the Argentine regulations about foreign exchange control. We clarified that in a very short time and said, immediately, we have got to have that money replaced by the Reichsbank, for they were the ones that caused us to undertake this transaction. The Reichsbank agreed and admitted that this was so. Thus it is quite clear that we did not commit any illegal act; otherwise, the Reichsbank wouldn't have assumed the responsibility.

Q. Two more questions about this chapter on the intelligence service. In document book 46, on page 24 of the English, Document NI–8139, Prosecution Exhibit 832 * is submitted. It has been stated that, upon request of the Propaganda Ministry, Bayer furnished addresses to that Ministry because the Propaganda Ministry wanted to send some publications to these addresses. What do you know about that?

* Reproduced above in subsection D 2.

A. That was a very delicate request which I received at the time. One couldn't simply say no, and we just didn't see why we should make our collection of valuable addresses available to the Propaganda Ministry. That is why I said, you send us the envelopes and then we shall have them addressed in our address machines; then, we will have complied with your request but you don't have our addresses because we are going to send them out right away. I must admit that one of my people had that idea, and in Berlin, as I said, it was considered a very good idea. I put the handwritten note stating "very satisfactory arrangement" on the original, because I was concerned with not giving up this valuable collection of addresses. In addition, I must explain that the entire thing didn't take place at all.

Q. My last question. In document book 49 there are eleven exhibits, Exhibits 901 through 909, and 911 and 912. In these exhibits general situation reports are submitted which Bayer received from its foreign agents. Can you comment briefly on this matter?

A. Yes, very briefly, because I have already done so; these are the Farben liaison men's reports, and they are economic reports about which I have already testified. I can only confirm that the exhibit numbers that you have mentioned are also covered by this testimony.

DR. BERNDT: I am going to touch upon a new subject, espionage; may I ask that I take this up after the noon recess?

PRESIDING JUDGE SHAKE: The Tribunal will rise until 1:30.

(A recess was taken until 1330 hours, 1 April 1948.)

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DR. BERNDT: I think, Your Honor, that concludes my document book 2.*

Q. Mr. Mann, in continuing your examination, I have to ask you about count one (G) of the indictment, namely the charge of espionage. You know that this charge is raised against you in a pretty tangible way—against you, or the Sales Combine directed by you—and before we deal with details, I would like to ask you in a general way, did you at any time take an active or abetting part in espionage in any respect whatever?

DEFENDANT MANN: No, I never had even the slightest connection with espionage, either personally, or in my official capacity. I never initiated, or ordered, or tolerated, any such activities.

Q. Now, in this respect, what about the employees under your orders?

A. If one of our employees should have had some connection

* Dr. Berndt refers to the offer to produce as evidence the documents contained in document book 2 of the defendant Mann.

with espionage, then that would have been quite contrary to the intentions of the firm, and if we had heard about it, we would have fired the man. Of course, considering the fact that we had 1,200 employees abroad, I cannot vouch for knowledge of whether one or the other of my employees, outside of his official functions, might have, at some time or other, exercised some such activity. I can only state, and repeat, that if we had heard about it, then of course we would not have tolerated it, but would have immediately stopped the matter.

Q. But did any cases come to your knowledge where an employee was involved in espionage?

A. During all of the years of my activity as manager at Bayer, not even one case came to my knowledge where an employee, with the knowledge or without the knowledge of the firm, was active in that direction.

Q. You just said that during all of the years of your activity for "Bayer"; now will you tell me, since when did you work for Bayer?

A. From 1920 until 1945.

Q. That is 25 years?

A. Yes, 25 years.

Q. In the prosecution's files the name Harmeyer is mentioned at one time. Can you tell me anything about the case?

A. I did not know that name. He was an employee of our agency in Buenos Aires. Through your services, Counsel, we have, however, been able to ascertain (on account of the fact that you contacted the person involved, himself) that this was not a proven charge, but only a suspicion. Harmeyer was summoned by the Argentine Government to leave the country and to return to Germany; and here he received the news that on account of a cross check, the Argentine Government had again issued an immigration visa to him. However, in the meantime, at the beginning of 1944, this suspicion against Harmeyer was reported also to the chief of our agency at Buenos Aires, and on the strength of a document which you will submit, it is proven that the business management of La Quimica—that is the Bayer representative in Buenos Aires—on the 7th of February 1944, suspended Harmeyer from service, and his salary was blocked until he could quite clearly prove his situation to the satisfaction of the firm and the Argentine police.

That confirms the statement I made here about our policy, that if we heard something about such activities we immediately interfered. In this particular case, we could not interfere because in 1944 we no longer had any connection, but with great satisfaction I noticed that even without contacting us, our representative in Buenos Aires took the proper steps.

Q. The director of your Argentine firm was a man named Homann. Now you know that the prosecution has charged that this Homann was an espionage agent. Did you know anything about that?

A. I did not know about that, and I could not have known about it, because this information is absolutely unfounded. We never heard anything about it, and in view of Mr. Homann's personality, that is completely out of the question. The investigations have proved that no proof could be found against him and that he is completely cleared. It is shown that he is recognized by the Argentine Government as a German and has permission to stay in Argentina to play a leading part in an Argentine enterprise; but I may supplement that by a remark. In South America, not only during but also before the war, it was a very favorite activity to discredit competitors by having them suspected as spies. That was a well-known system down there, particularly if the person involved was a foreigner.

Q. You told us today already about the liaison men. Now the prosecution charged that these IG liaison men were spies. What do you think about that?

A. I think that in view of the descriptions I have given this morning about the IG liaison men, I have already made it clear that the information these gentlemen offered us in line of duty never contained the slightest matter which could have the nature of information to which the term "spy" could be applied.

Q. You know that it is charged by the prosecution that the IG had been ready to accept certain people as commercial men in order to camouflage them by employment with IG, and give them the possibility to work abroad as spies?

A. It is correct that during the war we were approached with such requests in repeated instances; I myself was approached too, and in this very difficult situation I always was in complete agreement with my colleagues of the management, and decided to reject such wishes.

I personally do not remember one case where the Bayer Sales Combine accepted and fulfilled such a request. On the other hand, I could not quite avoid the wishes expressed by the counterintelligence department of the OKW. The Cologne agency [of the counterintelligence OKW], in the town near which Leverkusen was located, again and again attempted in a very ruthless way to get information from us of economic importance, in order to send this information to the superior agency in Berlin.

This man Kettniss [from the agency] used his official capacity and capitalized on it in such a way that he threatened me and my codirectors; for instance, that he would not issue any visas for

travel, if we would not take it upon ourselves to report on the result of our travels, to him, too.

On account of the unanimous rejection in Leverkusen of these requests, it was possible for us to dissuade Mr. Kettniss from this plan. However, I took it upon myself to send Mr. Kettniss a few excerpts from economic reports our representatives sent to us. In other words, some material which was received by us automatically in our ordinary mail. I screened the documents myself, and I can say that there was not any more in those reports than one could find in any economics newspaper, and two or three times, my secretary handed these reports to him. Those were reports which were lying around in the office quite openly, and were not at all confidential, had no military importance or information, and which, in the last analysis, were only made in order to get rid of a very boresome fellow.

Q. You have made an affidavit with regard to this case which the prosecution has submitted?

A. Yes, that is my own statement. The prosecution did not bring anything new into that; that is my own statement.

Q. I only wanted to state that it is not the prosecution that raised this Kettniss issue, but that it is your own statement?

A. Yes, I was asked and I answered in accordance with the truth.

Q. During our talks, I once put to you Prosecution Exhibit 806,* which is contained in document book 44, on the English page 98. This is with regard to the Homann case. Do you have anything to add to that question on the strength of this exhibit?

A. Well, that is something I could have told you right away a while ago. This is an additional charge, namely that he corresponded with other countries of South America, and apparently this correspondence was watched. It is true that they did not find anything in the letters, but from the very fact that he did correspond with other countries, they think they are justified in drawing the conclusion that he was a spy. That is a complete error. Homann had instructions from us that during the war he should exchange supplies with other countries, and in this way try to insure mutual assistance within South American countries by one country helping another; if, for instance, it had certain supplies in some medicine while the other country had run out of it. This correspondence, which had, perhaps, a certain volume, apparently is the subject of these observations.

Q. You mentioned the Harmeyer case. It is dealt with in

* Prosecution Exhibit 806 (*NI–10575*) is an extract from a "note verbale" of the American Embassy at Buenos Aires, dated 8 February 1946, to the Argentine Government concerning activities of German nationals. It contained a special section on Heinrich G. Homann. This exhibit is not reproduced herein.

prosecution's Exhibit 914.[1] I do not think that you had anything else to add to that question, do you?

Now, however, there is another charge that a Bayer employee by the name of Schob in Colombia had been blacklisted there. Do you know anything about that?

A. No, the name is not at all familiar to me. It might be that he was a provincial traveling agent of our representatives in Colombia. We were never able to find out anything about it.

Q. And the last question—

A. Excuse me. I have something I want to supplement. He is not at all listed as a Bayer employee, and therefore he apparently was not a member of our organization.

Q. Very well. Now the last question with regard to the spy charge. You had Document NI–5950, Prosecution Exhibit 929,[2] in document book 49, English page 105; and Document NI–1447, Prosecution Exhibit 930,[3] English page 107. Do you still have them there in the witness box?

A. Yes, I have.

Q. Now could you give us some details about that question?

A. This refers to two KA [Commercial Committee] decisions made in connection with the subsidy demanded by the OKW with regard to employing foreigners in the sales organization of the IG abroad. In one decision—and I am quoting—it says: "As Mann and others present state, this question is doubtless important for IG (not just Bayer)." In other words, this is a ticklish question, and I would advise that it should not be touched. I said already that in the Bayer firm we took no steps in this connection, and we also tried, as the documents show, to refuse these requests of the OKW also with regard to the local connections, by using the local circumstances as an excuse. However, after the whole business management of IG had been officially approached about this question, we decided to settle it by centralized handling and by a discussion, in order to find some kind of a solution for it. All I can say—and I can base this on the statements of the witness Overhoff—is that through our procedure, which was not connected with the Sales Combine Bayer, we managed not to be dragged into the matter.

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CROSS-EXAMINATION

MRS. KAUFMAN: Mr. Mann, you testified on Thursday that

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[1] Prosecution Exhibit 914 (*NI–10922*) is a letter from the American Embassy in Argentina to the American State Department, dated in 1944, transmitting a report of the Federal Police of Argentina, released on 19 February 1944, concerning German espionage activities in Argentina. This exhibit is not reproduced herein.

[2] Reproduced above in subsection D 2.

[3] Not reproduced herein.

the circular letter dated 29 March 1933 (which is Mann Document 525, Defense Exhibit 141),* was sent to your representatives in 75 countries of the world. You stated in that letter that the Nazi seizure of power was a victory which will benefit not only Germany but all civilized peoples of the world. Did you also include in this category of civilized peoples of the world the millions of persons who did not fall under the Nazi definition of Aryans?

DEFENDANT MANN: May I ask you whether that is contained in, or supposed to be contained, in Exhibit 525?

Q. I am referring to your Exhibit 141, which is your Document 525; and if you glance at the first paragraph, you will see the statement which I have just referred to.

A. Well, it says "The present German Government may claim for itself that in the struggle against bolshevism, the enemy of the whole world, it has achieved a victory which will benefit not only Germany, but all civilized countries of this world." That is what I read here.

Q. Now my question to you, Mr. Mann, is, did you include in this category of civilized peoples of the world, the millions of persons who did not fall under the Nazi definition of Aryans?

A. Yes.

Q. Now, you also stated in this letter—your Exhibit 141—and I quote, "As Germans, we have the obligation to declare solemnly to you that all the news that comes out abroad concerning mistreatment of politicians of the opposition and Jews is absolutely without basis. Germany, which has always been a land of perfect order and self-discipline, today too can lay claim to being counted among the calmest countries of Europe. The personal security of everyone in Germany is guaranteed in every respect, and no harm is committed against anyone, neither against political adversaries nor against the Jews." You knew, did you not, when you joined the Nazi Party, that the official Nazy Party program with reference to the Jews provided for the elimination of the Jews from the economic life of Germany?

A. I cannot recall that in 1933 one could see that from the Party program. I do recall that certain ideas of limitation were contained in the Party program, but at the time when this letter was written, I had no knowledge of any definite action taken against Jews, and I do not think that in 1933 any action was taken.

Q. Do you recall that in the beginning of April 1933, the German Government instituted the boycotts against Jewish enterprises in Germany?

A. I do recall that in some regions of Germany an attempt was

* Reproduced above in subsection D 2.

made to initiate a boycott, but I think that I am correct in my recollection that in general, this attempt failed. It didn't find any response in the German people.

Q. Do you recall that measures were taken to eliminate the Jews and political opponents of the Nazi regime from jobs with the government about that time?

A. I heard of individual incidents, yes.

Q. Now, this letter from which I have been quoting, which is your Exhibit 141, was the one in which you urged your agents to publicize [these things] abroad, isn't that so? Have you understood my question?

A. I understood your question completely. In direct examination, I have already testified that this circular letter should be considered as an expression of my good faith, and I would like to see it considered that way. At the time I was convinced that the excesses mentioned here were individual instances and the reason why I issued such a circular letter at all and sent it was, in itself, a merely commercial one, because I thought—

Q. May I interrupt you, Mr. Mann, and suggest that you answer the particular question I am putting to you, and that is, Did you request your agents to publicize the contents of this letter abroad?

A. No, not to publicize.

Q. As a matter of fact, the contents of the letter were publicized in various newspapers abroad as a statement (of Bayer) of I.G. Farben's attitude towards the Nazi seizure of power, isn't that true?

A. I have no personal knowledge of that.

Q. In this connection, I should like to introduce, as Prosecution Exhibit 2091, a document marked NI–15069,[1] which is a copy of a letter referred to in Document NI–9898, Prosecution Exhibit 780,[2] and which is described as a letter which had been published in the press in Chile and in other places. Now, you testified concerning another circular letter, which is Document NI–10267, Prosecution Exhibit 782,[3] which you sent to your representatives abroad at the end of 1933. In this letter you stated, and I quote: "The government stepped in and cleansed the country with an iron hand. Peace and quiet was established and everyone could attend to his affairs without fear for life and property." Do you know of any other German firms which sent out letters of this type for publication concerning political conditions in Germany, and whether the firms sent letters to as many representatives abroad as did I.G. Farben?

[1] Not reproduced herein.

[2] Not reproduced herein.

[3] Reproduced above in subsection D 2.

A. I would like to answer that question by saying that it was not customary for the various firms to exchange their business correspondence with each other, and as far as the circle of recipients was concerned, it was strictly limited to those who were concerned with it, that is, our agents abroad. But in the circular letter it is written that we considered it of value that they [Farben's agents] inform our customers and all personalities of the opinion we held in 1933. I don't know whether it was a capital crime that our agent publicized the letter in that way. Besides that, there is one decisive sentence in there; namely, that we were convinced that the measures against Jewish enterprises were only temporary measures. This statement is in this letter also, even if it's not contained in the exact wording but at least in its meaning, and by that I can show that we considered these abuses only temporary—at least, I myself did.

Q. Mr. Mann, this particular letter was sent at the end of 1933. That is true?

A. 1933.

Q. Now, you testified on Thursday that in the first years under the Nazi leadership, you were satisfied with the achievements of the Nazi Party, and that later you became disillusioned. You did not give any time when this disillusionment came about. Can you take particular major events in the development of the Third Reich, and tell the Court when you became disillusioned with respect to them?

A. First of all, I would like to answer the introduction of your question. Even at the beginning I found fault with some of the things; and from the very beginning, I objected to certain points of the Party program; however, I have admitted here that during the first years, on account of the particular misery in Germany and on account of circumstances which are very difficult to judge for a foreigner, I was actually of the opinion that national socialism, at that time, was the only possibility of saving Germany. I have already explained that my political attitude changed as time went on. It is true that I never gave up my optimism, that is, until the very period where you had to recognize that a change in policy could not be thought of any more. I did not give up my optimism as long as I believed that through influences either from within or without, a change in some respects could and would occur. To give you the exact date as to when I quite suddenly changed my inner attitude, that is very difficult.

Q. Well, can you tell me when you gave up your optimism?

A. I gave up my optimism on that November day in 1938 when the terrible action, which I think is known to all persons present, took place, and I was particularly shocked at the outbreak of the war because I had complete faith in the peace promises.

Q. I am sorry, but did I get your date correctly? What was the year that you just gave?

A. November 1938.

Q. Now you testified that you never attempted to influence the political life of your representatives and employees or to influence them to join the Party. In that connection, I want to call your attention to Document NI–6489, Prosecution Exhibit 129.* This is a letter which you testified you sent to all of your representatives in 75 countries abroad. Now that exhibit states, and I quote from Prosecution Exhibit 129, which is in document book 5 on page 170: "* * * you, as well as your collaborators, should again and again make all endeavors to support official Party agencies in their work abroad. This does not only mean that each individual should develop a positive mental attitude towards the present regime, but he should also, as far as possible, become a member of the Party organizations and contribute, to the best of his ability, to Party welfare institutions." Now, Mr. Mann, what did you intend your hundreds of employees to understand as to Farben's intention with respect to this statement I just quoted?

A. Unfortunately, I don't have all my document books here, for it is a little bit difficult to have all the documents here, but I think 129—that is the Homann letter, isn't it?

Q. You identified it properly.

A. And that was 1938, wasn't it?

Q. This was, I believe, in February of 1938.

A. I can answer your question by stating that not a single one of the persons who received this letter understood the letter differently than it was meant.

Q. I would like to quote the following statement from this same letter: "We consider it as a matter of course that, apart from each individual being prepared to render service, our foreign offices should also place themselves fully at the disposal of the German cause." This sentence immediately followed the preceding one. Now what did you intend your representatives to understand (by that sentence) as to your intentions?

A. Our representatives were to understand that they should make efforts for the German cause. They were responsible for the sale of Bayer products, and I made it a point that our sales organization throughout the world should not let anybody interfere with them too much by influencing them politically, particularly the agencies of the Foreign Organization. Substantially speaking, I am only repeating here, because I have already explained my views as to Document NI–6489, Prosecution Exhibit

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*Reproduced above in subsection D 2.

129,[1] therefore I can only state again that we issued that circular in 1938 for quite different reasons than the circular letter of 1933. Between those two circular letters there is the change in our conception. In 1938, as I have already said—that was the time when I had already realized that we had nothing very good to hope for any longer—but at that time, the power of the Foreign Organization was already so strong that a fight against it was absolutely senseless, and reason compelled us to say to our people, "Avoid all friction with Party agencies. Take a positive attitude." That means, don't give them any reason to raise disputes and discussions. Now the inner attitude of the individual—was always a matter of personal decision for every individual. I made no propaganda, no political propaganda, which was intended to influence the individual.

Q. Now you referred to a difference in your attitude between 1938 and 1933. Isn't it true that, as early as 1933, you sent circular letters abroad requesting your employees to support the offices of the Foreign Organization of the Nazi Party?

A. Well, that would be quite in line with my optimistic attitude of 1933. That is only proof of the conception that I had at the time, which I have described here.

Q. In that connection, I should like to introduce Document NI–8418 as Prosecution Exhibit 2092.[2] Now, concerning Verbindungsmaenner, didn't you refer—

A. May I see that document?

Q. I have no questions to put to you concerning that document, Mr. Mann.

PRESIDING JUDGE SHAKE: The defendant is entitled to see the documents that are introduced in evidence against him. See that he has a copy.

MRS. KAUFMAN: May I ask you another question, Mr. Mann? Concerning Verbindungsmaenner, didn't you refer Nazi Party officials to your Verbindungsmaenner abroad for whatever assistance they could give them?

DEFENDANT MANN: Just a minute. May I draw the attention of the Tribunal—it is only four lines here—it would lose the time of the Tribunal only, if there was a redirect examination with regard to it, because I can answer that letter right away. It is only a few lines. I ask the Tribunal's permission.

PRESIDING JUDGE SHAKE: Perhaps the prosecution is not interested in it for purposes of cross-examination, and it is not important for us to presuppose what their purpose is. I say to you, Mr. Mann, you and your counsel have that document. If there

[1] Reproduced above in subsection D 2.
[2] Reproduced above in subsection D 2.

is some proper explanation or testimony that you wish to give with respect to it, you will be afforded an opportunity to do so. Counsel has said that she is not interested in asking any question about it. Lay it aside for the time being and later on you can testify about it.*

MRS. KAUFMAN: Do you recall—

DEFENDANT MANN: Your Honor, I apologize, but there must be a mistake; otherwise I wouldn't insist here and wouldn't take the liberty to address the Tribunal, but there must be a mistake here, because in this document it is just said what I am stating now—that our business interests were not to be brought into the political field, and that is not in line with the question put by the prosecutor and certainly not with the purposes.

PRESIDING JUDGE SHAKE: Well, it is entirely possible that the prosecution is trying to substantiate what you said, Doctor. We are not concerned about it.

MRS. KAUFMAN: I am going to repeat my question. Concerning Verbindungsmaenner, didn't you refer Nazi Party officials to your Verbindungsmaenner abroad for whatever assistance they could give them?

DEFENDANT MANN: I am afraid that I haven't quite understood that.

Q. Did you refer Nazi Party officials going abroad to your Verbindungsmaenner abroad for whatever assistance your Verbindungsmaenner could give to these Nazi Party officials?

A. You mean state officials or officials of the Foreign Organization?

Q. Officials of the Foreign Organization of the Nazi Party.

A. I personally have no knowledge of any such instance, but I think that it is quite possible within the framework of the policy of a certain reconciliation which I have already outlined.

Q. Now, you testified that after Munich you expressed your joy, during a meeting, that the danger of world war was removed by the Munich Agreement. At that time, who did you think had called the immediate danger of a world war, just before Munich?

A. I am not a politician, and I certainly couldn't decide that. It is a question which is still disputed by many scholars even today.

Q. Now, you stated on Thursday that misfortune saw to it that your Bayer works, which, until 1933, had a peaceful and successful course, fell into a period of time which, by the dictatorship of the Third Reich and its inhumane laws and measures, came into clear contradiction with the aims and the work of Bayer and your life. When did you first realize this alleged contradiction?

* This document was not mentioned during the direct examination.

A. When the war broke out. The work for which I had worked all my life had been destroyed. My slogan was, not to inflict wounds but to heal them.

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Q. During the examination of the defendant Schneider, the prosecution introduced Document NI–14271, Prosecution Exhibit 1904,[1] which consisted of minutes of a meeting held in Frankfurt under the chairmanship of the defendant Schneider, on the 2d of May 1941, concerning cooperation between the OKW Abwehr and Farben in obtaining intelligence from abroad. Now, this exhibit records certain measures which were agreed upon at the conference, one of which was that Farben would refer its representatives who were going abroad to the Abwehr to carry out special missions for the Abwehr. Did you participate in any Farben agency or committee meeting which adopted or approved these measures?

A. I would ask permission to read the Exhibit 1904.

(The witness was handed Exhibit 1904.)

MRS. KAUFMAN: My question is, did you participate in any Farben agency or committee meeting which adopted or approved the measures indicated in that exhibit?

A. I did not attend this meeting. I never received the document. In my field of activity I was not competent for dealing with those questions, and the only thing I can see when I glance through this document is that it says here that in the future, special reports of the Sparten and Sales Combines, as well as other drafts of individual sales departments, are to be drawn up. Now, on the part of the Sales Combine Bayer, such reports were not made, and I have to point out again the exceptional case Kettniss, which I have already described in direct examination.

Q. Now, in that connection, I want to read to you a very short excerpt from the minutes of the meeting of the Commercial Committee held on 8 July 1941 (*Document NI–6086, Prosecution Exhibit 370*),[2] which states under the heading "Mobilization Questions": "Dr. von der Heyde reports on the conference which took place on the 2d of May 1941 in Frankfurt under the chairmanship of Christian Schneider. The measures agreed upon in this conference are approved by the Commercial Committee." Does that refresh your recollection that you participated in a Farben meeting approving the measures I referred to?

A. I know for certain that the contents of this letter were not submitted to the KA meeting. I think that my recollection is quite

[1] Reproduced in subsection D 2.
[2] Not reproduced herein.

clear; namely, that Herr von der Heyde, speaking quite generally, reported on this meeting to the effect that a certain cooperation was to be brought about because, at any rate, we could not avoid complying with these wishes, because what was called "desire" or "wish" at that time was in reality already an order. I recall also that Herr von der Heyde then said that if there were individual cases he would contact the Sales Combines, or vice versa, the Sales Combines would contact him or the agency—I don't know what agency, I am not quite sure—but at any rate, the agency mentioned here. The contents submitted I see for the first time today.

MRS. KAUFMAN: That will be all.

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b. Testimony of Defendant Ilgner

EXTRACTS FROM THE TESTIMONY OF DEFENDANT ILGNER[1]

DIRECT EXAMINATION

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DR. NATH (counsel for defendant Ilgner): I shall now turn to a new subject: the Foreign Organization of the Nazi Party, Prosecution's Trial Brief, pages 56 to 93. I should like to put a number of questions to you in that regard.

In Document NI–4959, Prosecution Exhibit 363,[2] book 14, English page 9, which is mentioned in the Trial Brief on page 56, mention is made of Farben's relationship with the Foreign Organization. Could you tell me something about that?

DEFENDANT ILGNER: Those are the minutes of the Commercial Committee meeting of 10 September 1937. It has been discussed here at such length that I don't have to elaborate on it. It's the well-known window dressing.[3] But quite generally let me say this: the matter is quite clear. Two worlds were confronting each other: the National Socialist ideology as opposed to German export interests. The Foreign Organization was a Party organization, and they had their instructions and their own duties to fulfill. Farben, on the other hand, had economic interests. They had the task to export. We were a business enterprise, and as a result there were divergent interests.

Q. And where did these controversies show themselves?

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[1] Further extracts are reproduced above in section IV D, below in section VII O 7, and in section VIII, subsections C 3 and E 4, vol. VIII, this series.

[2] Reproduced in part above in subsection C 4.

[3] Concerning the defense of "window dressing," see section V, "Compulsion in Hitler's Third Reich and the Defense of 'Window Dressing'."

A. Well, I shall give you a few points. We camouflaged for reasons of tax savings. The Foreign Organization, on the other hand, wanted to carry on decamouflage activities so that we could show the swastika flag. We wanted to keep our Jews because they were skilled people who knew their work. The Foreign Organization, on the other hand, had instructions to see that they be eliminated. The Foreign Organization wanted us to attend Party meetings. We, however, neither had the desire nor the time to attend them. They wanted us to pay higher contributions to the Foreign Organization. We were not really keen on doing that. The Foreign Organization had instructions to see that the pro-German press and the German press abroad were supported. Our customers, on the other hand, read the Jewish press and the anti-German newspapers. I am referring to the case of Bayer in Argentina, where all the chemists and all the pharmaceutical people read the anti-German and Jewish press. We had to advertise in those if we wanted to sell. Our people out there had been successful. They were the rich people. The little people who had gone there recently and had not yet got a job and joined the Party were mostly the "have-nots"—not all of them, but many. Our leading representatives were people of good repute, they were representatives of Germanism of the old coinage. These were all deep controversies.

Q. Dr. Ilgner, what were your personal experiences?

A. They varied. The most difficult problem in the Foreign Organization was to deal with the little people, the agitators, and we had the most trouble with them; for instance, there was my clash with the Ortsgruppenleiter in Paris in 1933. By accident, I heard that he asked the Paris police to write down numbers of the motor cars of immigrants. I said it harmed the German prestige, and I opposed that. A row resulted. He denounced me to the AO, the Foreign Organization. I went to Bohle [in Hamburg], but Bohle adjusted that matter. Being a German living in South Africa, and having more sense, he displayed more understanding with respect to such matters.

Q. During your trips abroad, did you have contact with the AO, the Foreign Organization?

A. No, but that actually was expected. In fact, up to my trip to East Asia, inclusively, I had no, or at least only sporadic, contact with them. Later, I only contacted them during my large trans-Atlantic trips, or whenever there was a special occasion to do so. The reason for my more emphasized contact on the occasion of my trip to South America was due to the fact that, when going to East Asia, I didn't concern myself about them at all, and these people were rather opposed to me as a result. That

wasn't really favorable for our business. At any rate, very soon thereafter, the NS Foreign Organization heads of the various countries, [Landesgruppenleiter] were incorporated into the Embassies. They received the rank of Embassy Counselor [Gesandschaftsrat], and they ranked immediately below the Ambassador; and very often they were even the person of first rank in that country, from the internal political point of view. The Ambassadors often actually asked us to visit the National Socialist Landesgruppenleiter, saying: "If you don't visit him, I will get into trouble for not asking you to do so." Naturally, one had to see them.

Q. You were speaking of tensions between Farben and the National Socialist Foreign Organization. What was the consequence of such tension?

A. Naturally, there were continuous latent tensions. It depended, sometimes it was better, sometimes it was worse. That was even directed against myself, although I wasn't even a member of the Party at the time. That, as I said, was not in the business interests of Farben.

Q. Did you take any steps in order to improve this unpleasant atmosphere?

A. Yes, and especially on the occasion of my trip to South America. My associate pointed out to me that I should really inform the Foreign Organization before my trip in order to be able to maintain contact with their agencies in South America.

Q. And how was that done?

A. I delegated my associate, Mr. Schwarte, who was the head of the Office of the Economical [sic] Committee at the time, and who told me about these tensions, to find out at the AO what the differences were in the countries I was to visit. That is how the AO found out about my trip, and as I found out later, they informed the Ortsgruppen—the area agencies—which could control whether I actually did arrive or not.

Q. You already said that it was recommended to you on the occasion of your trips abroad to visit these National Socialist officials. What were the discussions about that you held with these National Group Leaders [Landesgruppenleiter] and Local Group Leaders [Ortsgruppenleiter]?

A. First I met the Farben representatives and asked them what the differences were and how they could be eliminated without harming the reputation and the business of Farben. Then, together with my aide accompanying me, and the Central Finance Administration's confidential agent [Vertrauensmann]—that time we didn't have any Farben liaison men [Verbindungsmaenner]—I went to these men and discussed our differences. It was always

the same tune; insufficient interest on the part of the Farben employees in Party meetings; contributions not high enough, and they wanted more money. I reported such demands to my home country because I couldn't decide upon them [alone], and when I returned, I reported to the Foreign Organization about the matters I learned during the trip. I gave them a copy of my general report. I remember one report on the automobile industry, and that was really all.

Q. Dr. Ilgner, were the business interests of Farben served by your presence whenever you met the representatives of the AO?

A. I think that is quite clear. I shall briefly give you a few examples. When I was in Chile, the Farben representatives there told me that the Party was asking them to immediately dismiss one of their Jewish employees. I spoke to that employee in question and told him not to worry. I told him that I would find some sort of solution. I then turned to the Party and said, "That is out of the question. We cannot do without that man in the interests of export." I couldn't tell the party that I thought their Jewish legislation to be crazy. Afterwards, when I was in New York, I succeeded in getting that Jewish employee transferred to my American friends there, and he stayed on his job until the whole matter was arranged properly. When I was in Mexico, I made the acquaintance of Landesgruppenleiter Wuerz who was active there. He was also a business man, and he was quite reasonable. I told him what our situation was. The consequence was that our later Farben liaison man in Mexico, Hans Martin Fischer, confirmed to me that, since my visit, the Landesgruppenleiter concerned himself neither with our Jewish employees in Mexico nor with our Jewish customers. They left us alone. We had to make some contributions. We had to give them some cameras, some books, etc. In Brazil, the Zefi confidential agent was Mr. Hamers. He was a Brazilian of German descent. He was strongly opposed to Nazism. The Ortsgruppenleiter there was Peter Schagen who was really a nice man. He was, at the same time, the head of the Auto-Union [an automobile agency] there. I managed to borrow a car from him and with that car I went around Brazil and Argentina. I was nice to him and he was nice to me. I used him in order to see that Mr. Hamers was not bothered at all. You have to credit the other side with a certain amount of fairness.

Q. Dr. Ilgner, did you have direct and frequent contact with Gauleiter Bohle?

A. As far as I remember, I did not meet him, apart from that one meeting in 1933, on the occasion of the denunciation by the

Ortsgruppenleiter in Paris; I did meet him one more time, in 1941, when I intervened on behalf of our Farben liaison man, Willibald Passarge.

Q. Who was Willibald Passarge, and what was the reason why you saw Gauleiter Bohle?

A. At the outbreak of the war, Willibald Passarge was the Farben liaison man in Paris. He was a Brazilian. Immediately after the outbreak of the war, he went to Brazil. When he returned and when he wanted to establish himself once more in Paris, the Foreign Organization opposed that strongly, mainly because he was an anti-Nazi and because he had Jewish friends; also because he had received the [Order of the] Legion of Honor, and because he had asked to be given French citizenship. He was strictly forbidden to be active abroad. Although I really hadn't had many dealings with him, I immediately took him into my office and tried to help him to get abroad once more. The Foreign Organization, as I said, was strongly opposed to it. But I went to Mr. Bohle. I had a long talk with Mr. Bohle and I brought about a compromise solution. I was allowed to send Mr. Willibald Passarge to Hungary. His wife had been born in Hungary. That is how he got away from the claws of the AO. Later, at the suggestion of Dr. Ungewitter, the head of the Economic Group Chemical Industry, I placed him at the disposal of the eastern chemical group [Ost-Chemie] in order to keep him out of any trouble with the Party.

Q. What departments of your Berlin N.W. 7 Office had dealings with the Foreign Organization?

A. These were mainly two departments. At first, there was the foreign exchange department, which was a subdepartment of the Central Finance Administration. Later, during the war, there was the WIPO.

Q. That is to say, the Economic-Political [Political-Economic Policy] Department?

A. Yes.

Q. What functions did these two departments have with respect to the Foreign Organization?

A. The foreign exchange department [later Farben's Political-Economic Policy Department] rendered assistance to many foreign exchange transactions. Since the Reich Ministry of Economics was responsible for these matters, and since, within the Reich Ministry of Economics, the AO has been given the right of veto, it was important always to obtain the approval of the AO in questions of personnel. As I said, the little people always made trouble, and Herr Krueger and his people had quite a lot of work in that respect and it wasn't always very pleasant.

The second department was the WIPO. That was only formed during the war in 1942. It was to assume a predominant position for Farben so that Farben, in view of the varying heads of the Sales Combines—I said that the heads of the sales combines were very different—the Sales Combines had absolute sovereignty, and it would have been quite possible for the AO, in view of the basic differences in the policy of the various Sales Combines, to play one Sales Combine against the other. That is why Mr. [Kommerzienrat] Waibel of the Vorstand had been entrusted to deal with these matters. Since he resided at Frankfurt, the AO was to be used as liaison. The entire problem, however, failed in view of the manner of Kommerzienrat Waibel.

Q. Dr. Ilgner, you made a mistake; you meant the WIPO. You said the AO.

A. Yes, I was talking about the WIPO and not about the AO all the time.

Q. Dr. Ilgner, the prosecution has submitted Document NI–2788, Prosecution Exhibit 379,* book 14, English page 117, German page 165. This is a letter signed jointly by Kommerzienrat Waibel and yourself, dated 31 January 1942 and directed to the Foreign Organization. This letter is supposed to reveal the close and intimate relations of Farben with the Foreign Organization. What can you say about that?

A. That is exactly what I said before. That is purely a routine letter which became necessary after Waibel had taken over discussing with the AO all basic differences between Farben and the AO. As I said, Mr. Waibel was in Frankfurt; the AO was in Berlin. That is why we needed some organization in Berlin, the WIPO. I know from the heads of the department WIPO, at that time Director Terhaar and Prokurist Mueller, that Mr. Waibel didn't make use of that office, because he always went to the AO on his own and only very seldom informed the WIPO. How that was handled in detail, I don't know; that was purely an internal matter.

Q. Dr. Ilgner, it may not have become quite clear why Mr. Waibel was entrusted with the task of maintaining contact with the Foreign Organization. Could you briefly comment on this?

A. As I said, the AO was a Party organization. They received their orders from above. As the years progressed to 1937, the attacks against the Jewish representatives increased, as we saw it in the case of Austria. We didn't do anything in that respect before 1938. Since these difficulties increased and extended in their scope, it was clear that we needed a prominent man to deal with them. Since the Sales Combine Dyestuffs had most of the

* Reproduced above in subsection D 2.

biggest Farben foreign representatives, and since Waibel was the uncrowned king of the Farben overseas business, it was obvious why he was entrusted with dealing with that office.

Q. The prosecution mentioned a luncheon in connection with Mr. Waibel which took place during the war in honor of the heads of the Foreign Organization. Would you please explain that?

A. During the war, a number of differences had come up. The Party maintained that "Now we no longer need to camouflage. Now we all must decamouflage." We were skeptical. We said, "No, in the interest of business we have to maintain our organization abroad, as it was up to now. Unfortunately we cannot hang out the swastika now." A number of AO people returned and Mr. Waibel probably thought that it would be advisable to have a luncheon at the Hotel Adlon in order to pacify these gentlemen of the AO. A number of the leading business men of Farben were present. Unfortunately, I couldn't attend that luncheon. That is why I can't describe to you what happened there. Friendly words were probably exchanged, as that is usual among cultivated human beings. These weren't the little people of the AO. There was Bohle there, and the most important people were there.

Q. Dr. Ilgner, I think we can leave that point now.

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Q. Dr. Ilgner, at the end we discussed the book contributions. We now turn to a new chapter, the subject of the Central Finance Administration liaison men [ZEFI Verbindungsmaenner], the Farben liaison men and assistants. The Trial Brief on page 58 deals with this matter. Although you or your plant were competent for this subject, I am going to confine myself to a very few questions, since other witnesses have already talked about this subject. For that reason I think we can be very brief. I make a distinction first. How were the Central Finance [Administration] liaison men appointed?

A. You mean the ZEFI confidential agents [Vertrauensmaenner]. Under Professor Selck's chairmanship, in Frankfurt on the Main, in the meeting of autumn 1931 after the British pound was devaluated.

Q. What was the result of this meeting?

A. At that time in 1931, a whole number of ZEFI confidential agents were appointed. First of them was Wilhelm Roth, the Jewish representative of the Chemicals Combine [sic], representing five countries that he had to take care of—Czechoslovakia, Austria, Rumania, Hungary, and Yugoslavia.

Q. For what period of time did Mr. Roth remain as a ZEFI confidential agent?

A. Mr. Roth remained formally in his capacity as ZEFI confidential agent until the Anschluss of Austria; actually, until his arrest in 1936 in Budapest.

Q. Why was Mr. Roth arrested?

A. Mr. Roth was arrested in connection with the safeguarding of Farben's business interests in Hungary. Questions of foreign exchange control were concerned. There were so many paragraphs and regulations about this subject that even the most honest person—as was Mr. Roth—could get in trouble. Furthermore, I had the impression that during the arrests in Hungary, personal motives of the Hungarian agencies were contributing factors.

Q. Dr. Ilgner, were these ZEFI confidential agents—and later the Farben liaison men and their assistants—were they appointed in the business interests of Farben?

A. Only for the interests of Farben's business alone.

Q. What brought about the extension of the functions of the ZEFI confidential agents and what changed these functions into Farben liaison positions?

A. Originally, these were only financial questions of stabilizing the currency, for which the Central Finance Administration was competent; but then, in an ever-increasing measure, questions of promotion of exports and industrialization—that is to say, industrial projects were included for which all of Farben were (in this case, the commercial departments) responsible; that is, the Commercial Committee, the KA. For that reason we had the Farben liaison men and not ZEFI confidential agents, because otherwise the other sales representatives would have considered themselves slighted and felt justifiable jealousy.

Q. Why were the Farben liaison men given assistants?

A. For two reasons: for reasons of time, the Farben liaison man was a salesman; he sold his goods and for that reason his time was taken up almost completely, and he had very little time for these general financial and industrial questions. But there was also a technical reason. I said already that the Farben liaison man was a salesman, that is to say, he had not learned how questions of currency, credits, and economic problems were treated. He didn't have the training for that; he was not an expert.

Q. Why did the assistants and Farben liaison men belong in the department of Berlin NW 7?

A. Your question is not quite correct. The Farben liaison men were only in the department of NW 7 as far as this function was concerned; this was the smaller part at that time. But the

assistants exclusively were competent for financial, industrial, and economic problems. And that was the department of competency of NW 7. For that reason the assistant was a member of NW 7 completely, one hundred percent.

Q. Were there many assistants?

A. In 1938, shortly before I became ill, very many were in training but only a few of them had been sent out. Then I became ill and the war intervened, and that made the whole business superfluous. The men were employed somewhere else; some were drafted into the army, some of them left Farben.

Q. Were there special reasons why some assistants left Farben altogether?

A. Yes, there were special reasons, but in each case they were different. For instance, Mr. von Humboldt was in Mexico and the Foreign Office demanded his resignation because of his general attitude. He was an assistant of Farben liaison man Fischer, in Mexico City.

Then there was a Prince Bernhard of Lippe-Biesterfeld. He was assistant to the Farben liaison man in Paris. He married Princess Juliana of Holland. Previously he had been working in Amsterdam. There was another man by the name of Neubacher, whom Goering appointed mayor of Vienna, who then left us.

Q. That is enough. A few more questions about the frequently mentioned reports of Farben liaison men. Tell me, what brought these reports about, and what were the contents of these reports?

A. These reports were in existence for decades. They are the customary sales agents' reports. In every one of these reports there is a general introduction, and according to the talent and the interest of the respective agent, this introduction was more or less intelligent. These general reports about the over-all situation were later consolidated by the I.G. Farben liaison men. They then added their own stories to these reports, and all these things we needed in order to make arrangements in time, in our fields of currency stabilization and financial questions. I must say now, however (since I never read these reports before), that the standard of these reports was not very high. They were generally just newspaper articles that these people copied; some of them were a little better. But the reports exist; one can read them and find out what they contain.

Q. Did these reports also contain a paragraph about the political situation in the country concerned, and if so, why?

A. Yes, they also contained a paragraph about the political situation. Only a few examples will be cited here. In Sweden, there was an intention of building a nitrogen plant. That was interesting for our nitrogen people because of the sales. The

Agrarian Party was for it, and the Conservative Party was against it. One therefore had to know who has the decision in leadership at the moment. Or, for instance, in the case of currency questions, the Liberals were for devaluation and the Conservatives were against devaluation. In the case of tariffs and customs, one party was against it and one for it. Therefore, if one wanted to take measures and steps in time, one had to know what was going on, what was coming off. Wrong decisions are costly, Dr. Nath. I believe you have said something about that in your opening statement.

Q. On page 91 of the Trial Brief, it is stated that the reporting system of the Farben liaison men began only from the moment when you made your trip to South America, is that correct?

A. That is incorrect for two reasons. For one, Farben liaison men did not exist until one year later, that is 1937. And secondly, the reports, for instance of the East Asia representative conference, existed already one year before that. But already before the First World War, the Farben agents sent in their general reports, as I have already stated, and that is customary all over the world.

Q. In the same place in the Trial Brief it says further that these reports also contained a paragraph about military affairs. I ask you, did you or your associates give such instructions?

A. No, such instructions were never issued, and such paragraphs didn't exist in these reports. It may have happened in connection with some explosives project, *et cetera,* but generally these paragraphs did not exist.

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Q. Here is a new subject entitled, "Support of the Press Friendly to Germany," on page 41 of the Trial Brief. Excuse me—it is the indictment. On page 41 of the indictment, there are statements about this assistance that was given by Farben to the press friendly to Germany.

What can you say about that?

A. There were definite regulations and provisions about that in the Third Reich and, especially, the Foreign Organization of the Party supervised these activities. I have already mentioned briefly that during my South American trip, there were serious complaints raised in Argentina against the firm of Bayer, which did not comply with these instructions.

Q. Did Farben comply with these regulations? What did you do personally?

A. I will give you one example. It is not very interesting. In the case of the Bayer firm in Argentina, I discussed things with Mr. Doerfler, the deputy of Mr. Homann. He told me the reason

for the complaint. He said the druggists and physicians were mostly Jews, and they did not read the newspapers friendly to Germany, and Bayer could not act differently on account of its business interests. And in order to appease the Party, we gave the La Plata newspaper a few advertisements.

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Q. Would you please tell me in a few words, very briefly, how the Economic Research Department [VOWI] was organized and what tasks the various departments had?

A. I will just name four main departments: (1) general observation of economic affairs, questions of currency, trade balances, *et cetera;* (2) observation of various provinces [Laender] (that is foreign states too), of foreign and domestic trade developments, economic policy tendencies, industrialization, *et cetera;* (3) chemical world markets, market analyses and forecasts, special developments, *et cetera;* (4) trade and financial archives [records], all large industrial companies and banks of the world, competitive firms of Farben, *et cetera.*

Q. Dr. Ilgner, did you participate personally in the VOWI?

A. I participated, but I understood your question to mean not whether I worked there, practically speaking, but whether I was just very much interested in it. Yes, it gave me much joy; foreign trade, questions of currency, industrialization, increase of the purchasing power, increase of the standard of living—all these were my actual fields of interest, everything that had to do with economics, both domestic and foreign economics. I devoted a tremendously large part of my time to these problems.

Q. What principles did you pursue in carrying out the practical organization of the VOWI?

A. I just give you that in a few words: first of all, close contact with economic philosophy; secondly, close contact with practical economics; thirdly, to do in the VOWI only that which was absolutely necessary and, furthermore, to base yourself on retainer arrangements with institutions and foreign associates; and, fourth, the so-called two-minute principle, which meant, if someone asked anything one could immediately tell him where the information was to be found if one was not in a position oneself to give that information.

I would only like to give a brief commentary about the third subject matter, namely, to maintain only the most necessary material in the VOWI. This explains why we had an agreement with the Institute for Market Analysis, with the World Economy Institute in Kiel, or with the statistical department of Chemnyco Inc., or the School for World Economics [International Trade] in Vienna, or with outside associates at home and abroad.

Furthermore, we had an exchange relationship with important economic institutes, statistical departments, again both inside Germany and abroad; for example, in Germany, with the Reichsbank, with the leading German banks and industrial enterprises, all of which had an economic research department; with the statistical departments of the Berlin Ministries; and abroad, with particularly large enterprises such as "National City Bank," "Imperial Chemical Industries," and "National Industrial Conference Board." The principle applied was a mutual exchange of economic and statistical material [*do ut des*].

Q. Dr. Ilgner, you spoke of the principle *do ut des* which we know from Roman law. In reference to the relationship between VOWI and the Berlin Ministries. Did VOWI have any advantages because of this?

A. Yes, of course. The VOWI needed, for the business purposes of Farben and for the preparation of market analyses and marketing forecasts, the statistical data in the Ministries. This necessity became greater after 1933, because the generosity of statistics in the Third Reich was also limited. Less and less statistical data was published, so that the possibilities of getting statistical material from the Ministries assumed more and more importance for the VOWI.

Q. With which official agencies did this contact begin and can you tell me at what time?

A. Well, that might have been shortly after 1929 or 1930, after the VOWI was founded. Contact was established with Mr. Ritter, later Ambassador Ritter, who was then chief of the Economic Department of the Foreign Office. He was a friend of Mr. von Moellendorf, and he himself had no economic research department of his own, and the Reich Economics Ministry did not have such a department either. They all had to rely on the National Statistical Bureau, but they were too slow, according to the opinion of Mr. Ritter, and in the case of urgent tasks, he preferred to turn to the Reichsbank, to other banks, and also to us, for current problems.

Q. That was the Foreign Office. Now, did any other government agencies use the opportunity to turn to VOWI?

A. Yes, later, the Reich Economics Ministry; that was in the year 1931. For example, when the conference on world economy and reparations was held in London—and this led, as is well known, to the Hoover moratorium—Geheimrat Schmitz was economic and financial adviser to Reich Chancellor Bruening. Geheimrat Schmitz was given the statistical material by VOWI and he took that along to London. In London it turned out, as Mr. Schmitz or Mr. Reithinger told me later, that the material

of the VOWI was better than the material which the officials had with them. Thereupon, Mr. Reithinger was requested by telephone to come, and he went to London and took along more material.

Q. Did the VOWI also draw up larger papers which treated of world economic problems, and can you name a few?

A. Yes, quite a number of them; for example, especially in the few years before 1933—I shall just name three: "Elementary Economic Comparisons between the United States of America, England, France, Italy, Germany"; a work of four volumes. It was published in the years 1929 to 1932. Secondly, a treatise on European work. At that time, the ideas of autarchy arose, and in order to carry these ideas *ad absurdum,* we did this work on the question: "Can Europe be self-sufficient?" The answer was "No." Third, in a French work, a work about France in which I participated especially intensively, the question that was asked was: "Is an economic union between France and Germany also an economic advantage for both countries?" The answer was "Yes." That was 1931 to 1932.

Q. Dr. Ilgner, in the Trial Brief on page 64, the prosecution claims that the VOWI reports were regularly sent to the Reich authorities. Is that correct?

A. No. One could not say that, apart from the VOWI pocket calendars, such small calendars as we had in our department.

Q. Was there any contact with military agencies?

A. Military agencies surely also got some reports, as did all other authorities, but before the outbreak of the war there was no contact. This did not change until the war; but about the time before the war, Dr. Nath, you know I cannot give you any information because I was absent.

Q. Did the reports of the VOWI, if they were asked for by official agencies, have to be furnished to these agencies, or could Farben refuse to do that?

A. No. No one could refuse. There was the obligation to furnish information, but it did not even occur to us to refuse that. It was to our own advantage. We needed to do that because we needed the statistics from the official agencies. Furthermore, the VOWI, as I have repeatedly tried to explain, had the character of a public research institute.

Q. Do you mean to say by this, Dr. Ilgner, that anybody could at any time use the VOWI and its reports and look into them?

A. Of course; anybody who was interested in it and who seriously asked for the information; it was no problem.

Q. Purely arithmetically, did Farben have an advantage in

this in view of the considerable expenses which such a specialized apparatus demanded?

A. I think so. I will give you only one single example. One year before the devaluation of the U.S. dollar, the VOWI began to compile a work about the development of the dollar, at my instigation. I made a special trip to America for that purpose at that time. At that time Farben had an obligation in U.S. dollars equivalent to 100 million marks. They were accounts receivable; at least, the risk was 100 million marks. We liquidated all these risks so that when the devaluation came they were practically zero, [but] not actually. If Farben had not done that then, it would have lost more than 30 percent, like many other German firms. That means more than 30 million marks. Shortly afterwards, I met Mr. Schacht, who was at that time not yet a Minister, and he reproached me because I did not tell the Reichsbank about this very clearly and they did not make such fortunate arrangements.

* * * * * * *

Q. The last question now. Did the VOWI carry on espionage, which served the preparation for war?

A. It is difficult for me, Dr. Nath, to give a calm answer to this, but I shall try to be objective. I answer with all emphasis, NO. My whole conduct and thinking and striving, as we shall very clearly prove, was just the contrary. It served the understanding between peoples and the maintenance of world peace. VOWI was one means to an end in this; it was an instrument of peace.

* * * * * * *

Q. A final question on this subject: What do you know about the extent of the total activity of Farben in the counterintelligence [Abwehr] field?

A. Dr. Nath, the fact alone that the important man in OKW Counterintelligence for Economic Questions [Economic Department of OKW/Abwehr] Major Focke, as late as 1944—I believe it was March, toward the end of the war—thought it necessary to give the whole Farben Vorstand elementary instructions, because it was that and nothing else, about the necessity of the work of the Economic Department of the OKW Counterintelligence, proves clearly enough that this work, in the opinion of the authorities, was completely inadequate.

* * * * * * *

CROSS-EXAMINATION

MRS. KAUFMAN: Dr. Ilgner, you were the responsible department head of Berlin NW 7, were you not?

DEFENDANT ILGNER: Yes.

Q. Isn't it true, that in 1936 you promised Major Bloch of the Intelligence Department of the OKW that he would receive VOWI reports from your ZEFI confidential agents and contact [liaison] men abroad?

A. No, that isn't correct the way you say it. Major Bloch had the desire, in connection with the Far East report, to get a copy of this report and, if possible, to get similar papers and interesting reports in the future. Since I didn't concern myself with such details, I invited him to a lunch together with a few of my associates. It was a general conversation we had, which was, however, decisively influenced by my clear statements made to Major Bloch (which he quite clearly understood) to the effect that Farben, which was the largest German export firm with a very delicate position abroad, could not compromise itself with anything that had to do with the intelligence agencies. We discussed this question in the Commercial Committee after some meeting during a lunch, I believe, and we had only one policy in this respect.

Q. Dr. Ilgner, didn't you promise, however, to transmit VOWI reports and reports from ZEFI confidential agents and liaison men?

A. No, because I never passed on such reports.

PRESIDING JUDGE SHAKE: Just a minute, please. Now you said "No," and ordinarily that would be sufficient. I mention the matter because of this circumstance. It may be that in addition to saying "No," you think that it would be proper to make some explanation; perhaps as to whether you should make some further explanation, you may postpone it until you have thought the matter over and talked to your counsel and determined whether or not that "No" is sufficient.

MRS. KAUFMAN: In connection with this conversation that you had with Major Bloch and your staff, didn't you at that time promise Major Bloch that visitors abroad that would come to see Farben, would be referred to him?

DEFENDANT ILGNER: Not in this form. During the lunch, in the presence of Mr. Saxer, I promised him that the gentlemen would respect his wishes. The entire meeting was a noncommittal conversation of a general nature so that I really can't tell you what actually, if anything at all, ever came of this.

Q. I show you Document NI–14677, marked for identification only as Prosecution Exhibit 2025*, and ask you, Dr. Ilgner, whether on page 4 of this document, which is a handwritten statement prepared by you, you do not state: "Major Bloch asked me

* Not reproduced herein.

whether my collaborators might not [occasionally] call it to his attention when some of our leading gentlemen abroad came to Germany for a vacation, as he would be interested to talk to some of them, to which I agreed."

A. Do you mean the statement I made, where I said quite clearly a little further, "I don't know, however, whether Major Bloch"?—

Q. I direct your attention to a particular paragraph and ask you, is this your language appearing in that paragraph, "Major Bloch asked me whether my collaborators might not [occasionally] call it to his attention when some of our leading gentlemen abroad came to Germany for a vacation, as he would be interested to talk to some of them, to which I agreed."

A. Yes, that is completely correct, but you have to read further, then it becomes clear.

PRESIDING JUDGE SHAKE: Counsel, under the practice that this Tribunal has adopted, when a document is submitted to you, it is thereafter available to you, and if, after consultation, you find other parts you want the Tribunal to take into consideration, you will have that opportunity.

DEFENDANT ILGNER: Thank you.

c. Testimony of Defendant Schneider

EXTRACTS FROM THE TESTIMONY OF DEFENDANT SCHNEIDER[1]

DIRECT EXAMINATION

* * * * * * *

DR. HELLMUTH DIX (counsel for defendant Schneider): I now turn to the paragraph entitled, "Counterintelligence" [Abwehr], in which the prosecution charges you with the intelligence work of Farben, together with OKW. You became main counterintelligence delegate [Hauptabwehrbeauftragter] of Farben in 1940, so that the prewar years are insignificant for your activity in regard to this particular charge of the prosecution in regard to preparations for a war of aggression.

In book 8, I offered Schneider Defense Exhibits 23 through 27 in regard to this problem. One of them, Exhibit 25,[2] is an exhibit of the prosecution—a document of the prosecution which was not offered, and which the prosecution was kind enough to make available to me.

[1] Complete testimony is recorded in mimeographed transcript, 18, 19, 20, 24 February 1948, pp. 7321–7524.

[2] This exhibit, (*NI–10422*), an affidavit by Albrecht Focke, is not reproduced herein. The affidavit was obtained originally by an interrogator of the prosecution, but the prosecution did not offer it in evidence.

I now ask you, Dr. Schneider, to explain your appointment as Hauptabwehrbeauftragter, main counterintelligence agent, to the Tribunal.

DEFENDANT SCHNEIDER: My appointment as main counterintelligence agent of Farben came about as the result of a letter written by Admiral Canaris* to Geheimrat Schmitz. In this letter Canaris stated that, because of various differences of opinion his agency had had with Mr. Faubel, the former main counterintelligence agent of Farben, he intended to recommend his dismissal, and he was asking Schmitz to name him an important person of the Farben Vorstand for this position. At that time I was chosen, and I accepted only reluctantly.

When I presented myself to Admiral Canaris, the latter explained to me that he had not been satisfied with Farben's support up to that time, and that he hoped this would be different in the future. He pointed out in particular the valuable relations that Farben had abroad in regard to transmittal of information and intelligence, and when I stressed that this would have to be very carefully done, he replied very curtly, "We are now at war, and the war interests take precedence over private interests in wartime," and he said that OKW had ways and means to force industry. From this the emergency can be recognized which made it impossible to reject any collaboration with OKW. Furthermore, Farben was not the only firm which had to collaborate with OKW in this regard. Other enterprises did that too, for instance, the AEG and Siemens.

Q. What organizational measures did you take in this field, after you had become appointed?

A. In Berlin, I first of all instituted Office A, Department A, that has been frequently mentioned in the prosecution's documents, in which [the defendant] Mr. von der Heyde took care of the commercial affairs, while Dr. Diekmann handled the industrial affairs of the counterintelligence sphere.

After von der Heyde was drafted, an event which took place at the end of 1940, Mr. Ruediger became his successor. In discussions with experts of OKW counterintelligence, I was told that I would not have to deal with details of this counterintelligence work, that that would be done by my experts. I was being used merely if any differences of opinion arose in fundamental matters and my decision was necessary.

Q. What were the tasks of the main counterintelligence agents, Hauptabwehrbeauftragte [Buero A]?

A. OKW/Abwehr originally demanded the following cooperation: First, consolidation of all counterintelligence agents of the

* Chief of Military Intelligence of the High Command of the German Armed Forces.

plants in regard to observing the secrecy regulations, and the defense against espionage and sabotage in the plants; second, the transmittal of economic and bank [sic] reports about the economic and political situation abroad, so far as Farben had access to such reports through the neutral foreign countries; third, reports and newspaper articles about the economic developments abroad, by way of I.G. Farben liaison men; fourth, the industrial reports about foreign plants; fifth, extracts from correspondence, from letters of foreign associates and business friends; sixth, business friends and visitors from abroad, and Farben employees who had returned from trips abroad, who were to get in touch with the people from the Abwehr; seventh, it was demanded that confidential agents of OKW/Abwehr be employed in Farben branches abroad. These were the fields in which OKW/Abwehr demanded cooperation of Farben.

Q. How did this develop practically, and was OKW satisfied with the development or not?

A. No, they were not satisfied by any means. During three conferences that took place throughout the entire war between the chief of OKW/Abwehr, Colonel Piekenbrock and the local Abwehr officer, Major Bloch, the Abwehr delegates of the plants, and Department [Buero] A, this cooperation was discussed without any solution being found satisfactory to OKW. It had been intended originally that all documents and personnel affairs should be treated centrally through Department A, but the local counterintelligence officers (and they are the counterintelligence officers of the OKW) objected to that; they wanted in particular to take care of contacts with foreign visitors themselves, in connection with the counterintelligence delegates of the plants or the sales combines. Because of the more or less decentralized form of the plants, the activity of the Department A was only one of giving general directives; but also, the method through the local counterintelligence agents was never adopted, as far as I know. I don't know a single case in Leuna, when this was done. I do not know how the commercial field worked. So far as I was able to find out, the employment abroad of confidential agents of OKW/Abwehr was not adopted, or only in very rare cases, because of the danger to our interests abroad. How unsatisfactory the cooperation between OKW and Farben was, can be seen from Major Focke's statement; this is a prosecution document which was not offered, NI–10422 in document book 49, which is now Document Schneider 256, Schneider Defense Exhibit 25* in book 8 on pages 76 to 79 of the German. This can also be seen from the fact that this Focke, who was the successor of Bloch in

* Not reproduced herein.

OKW/Abwehr, still found it necessary, in 1944, to give a lecture to the I.G. Farben Vorstand in which he stressed the necessity of better cooperation. This is Document NI–6491, Prosecution Exhibit 925,* in book 49, page 134 of the German.

Q. I refer to the quotation in the index of book 8 in the case of Schneider Defense Exhibit 25. This is the statement of Focke which was originally a prosecution document, and these statements confirm Mr. Schneider's description. How were you informed about the cooperation of Department A with OKW/Abwehr? Some of this has already been touched upon, but give me some more details.

A. At large intervals of time I was informed about fundamental affairs of Department A, about general policy, but hardly about any details, which was quite in keeping with the mission that OKW had given me. Furthermore, OKW/Abwehr never approached me about any fundamental affairs that would have necessitated my interference as a representative of Farben.

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CROSS-EXAMINATION

* * * * * * *

MR. SPRECHER: Now you testified that as the chief Abwehr officer of Farben you only cooperated with the Army [sic]. Is that correct?

A. Yes.

Q. I ask you to tell the Court the nature of your official duties in connection with the RSHA [Reich Security Main Office] and in connection with political security in which the SD was interested, as contrasted with military security in which the Army [sic] was interested.

A. I had nothing at all to do with the Reich Security Main Office in Abwehr matters. There were only some directives issued by the SD for the Abwehr officers, and that was an obligation that applied to every Abwehr officer. These directives were offered in evidence by the prosecution.

Q. There were a lot of them which the prosecution did not offer in evidence as yet. Isn't it true that there were a lot more of these directives?

A. What do you mean, many more?

Q. I mean, you don't mean to say that the only directives which you received from the SD concerning Abwehr matters have been introduced in this case? You don't mean to say that, do you?

A. No, but at the present I remember none except these.

* Not reproduced herein.

Q. Now, when I refer to the RSHA, I am naturally not merely referring to the Central Office. I am referring to representatives of the RSHA, of the Gestapo, or the SD. Did you have political duties within the plants in relation to the Gestapo, the SD, the Sipo, or the RSHA in that connection?

A. Yes, in regard to reports; for instance, reporting serious infractions against labor discipline, political affairs, and so on.

Q. Political affairs and so on; what do you mean by political affairs and so on?

A. Well, if anybody was reported by a member of the employees or by way of the confidential council, that he had made statements, for instance, against the National Socialist system, against Hitler, or some such statement, then such a thing had to be reported.

Q. Didn't you take steps and participate in a number of meetings where a system (for taking care of this political opposition and security measures against the political opposition) was worked out in great detail?

A. I did not understand that.

Q. Didn't you sometimes participate and take the leadership in meetings where details of these political measures of the Abwehr were discussed and detailed plans made?

A. Do you mean outside of the plant?

Q. Some of the meetings were in the plant, some of the meetings were outside the plant. I don't care where they were, did you participate in such meetings?

A. I cannot remember them now; perhaps if you put some document to me.

Q. Do you know where the Gestapo headquarters was in Halle?

A. I was never there.

Q. Did you ever receive any invitations to meetings that came to you on the stationery of the Gestapo office in Halle?

A. Yes, I now remember one single meeting to which we were invited, that is, I myself, an Abwehr officer, and the plant guard [Werkshutz] leader of Leuna, to take part in a conference of the Gestapo in Halle, where general reports and lectures were made about the Gestapo activities, but I cannot remember exactly what the subjects were.

Q. Now, were any of the persons who gave lectures at that meeting called by the Gestapo, representatives of the OKW or the Army [sic], or were there only representatives of the SS, the SD, the RSHA, the Sipo, or other agencies of the Nazi police state? In other words, do you remember any single OKW man who gave a lecture at that time?

A. No, certainly not from OKW.

Q. But this was a meeting, was it not, of the Abwehr men from the plants around Halle, including Leuna; is that right?

A. That was the only meeting in which I participated as far as I again remember now. It was the only meeting in which nothing was discussed but in which only lectures were given by the officers of the Gestapo or the SD. I could not avoid complying with this invitation.

Q. Yet you were the chief Abwehr agent of the SD and the RSHA in Farben for the whole Farben enterprise, as well as being Abwehr agent for the OKW. Now, isn't that true?

A. Yes. First I was Abwehr officer for the OKW and after my appointment also by obligation, I was Abwehr officer in the sense of the SD regulations and directives.

* * * * * * *

Q. Now, do you ever recall the defendant von der Heyde saying anything like the following in your presence—and I don't ask you to remember the exact words—I mean the following, in substance: "No trip abroad, no stay abroad, no visit from abroad, no report from abroad, no exchange of news or experience with foreign countries, except with the thought whether the Abwehr or one of its foreign branches is interested in it."

A. That's possible. It's possible that von der Heyde, after the first meeting which we probably had with the Abwehr representatives from the OKW, transmitted these points of the program which I elucidated yesterday.

Q. Now, you stated that the OKW was not satisfied with your cooperation, or with the cooperation or the assistance of I.G. Farben in connection with Abwehr matters. Who from the OKW informed you of that?

A. I explained that yesterday. That was clearly expressed by the report of Major Focke which he made to the Vorstand in the year 1944, in Heidelberg.

Q. Well, before 1944 do you recall any similar report from any OKW man?

A. No.

Q. No. Now, to go to the contrary position, do you recall any report in which the OKW said it was very satisfied with the very valuable assistance of Farben?

A. Yes, a form of politeness was used. I think that was at the time when Major Bloch went back to the Wehrmacht to go to the front. Then, they sent me, and I think other gentlemen of IG also, letters where such expressions were used, but I thought that these letters were merely polite phrases and I didn't take them for fact. I am certain, however, that all these matters

were handled in a rather dilatory way and certainly did not have the result which OKW and Abwehr had intended initially.

Q. Well, as early as May 1941, do you recall Admiral Canaris conveying to you, through Major Bloch, the gratitude of the OKW? If you don't remember just say so.

A. I don't remember that now. Major Bloch later went to the Wehrmacht.

Q. Do you remember that Major Bloch told you, before the United States and Russia became involved in the war with Germany, that IG's strongest effort should be in trying to get information from abroad concerning those countries with which Germany was not yet at war, particularly the United States and the Soviet Union?

A. I don't remember this special instance.

Q. I show you Document NI–14271, which will become Prosecution Exhibit 1904.* For my purposes it will be enough, if you just read the cover page which indicates that you sent this report of the meeting with the Abwehr of 2 May 1941, to thirty different places in I.G. Farben, and the first page of the actual report, which is included. The first two pages. Could you quickly run through that, down to page 3 of the original? You won't have to go further than page 3 of the original for my purposes.

A. Yes, this is the first meeting which we had with the OKW representatives, and in this meeting the program was laid down with the different points mentioned here.

* * * * * * *

E. Reorganization of Economy and Early Considerations of Military Economy in the Third Reich

1. INTRODUCTION

This subsection contains material which, for the most part, is preliminary to a number of the later subsections dealing with the evidence submitted in connection with the charges of aggressive war. The contemporaneous documents (2 below) include a number of the decrees which either the prosecution or the defense introduced concerning the regulation of economy in the Third Reich, and two contemporaneous documents introduced by the prosecution concerning early conferences on military economy, economic mobilization, and rearmament. The testimony of the defendant ter Meer (3 below) discusses one of the documents containing a report of an early economic mobilization and emphasizes the secrecy which surrounded such documents.

* Reproduced above in subsection D 2.

More extensive evidence on early considerations of military economy and rearmament are reproduced in three other volumes of this series: "The Krupp Case," vol. IX, section VI B, "Contemporaneous Documents concerning the Period 1919–1943," pp. 240–353; "The High Command Case," vol. X, this series, section VI B, "Development and Activities of the German Armed Forces, 1919–February 1938," pp. 415–520; and "The Ministries Case," vol. XII, section VI B, "Military Economy. The Four Year Plan. The Financing of Rearmament," pp. 421–656.

2. CONTEMPORANEOUS DOCUMENTS

TRANSLATION OF DOCUMENT NI–5982
PROSECUTION EXHIBIT 68

RELEASE NO. 1051 OF WOLFF'S TELEGRAPH BUREAU, 4 MAY 1933, REPORTING UPON A RELEASE BY THE REICH ASSOCIATION OF GERMAN INDUSTRY AFTER A CONVERSATION BETWEEN HITLER AND GUSTAV KRUPP*

First Early Edition

84th year of publication No. 1051

Wolff's Telegraph Bureau (WTB)

Berlin, Thursday, 4 May 1933

Declaration of the Reich Association of German Industry on the reorganization and simplification of the industrial association system.

Berlin, 3 May. The Reich Association of German Industry announces:

Following an interview granted today by Reich Chancellor Hitler to the Chairman of the Reich Association of German Industry, *Dr. Krupp von Bohlen und Halbach,* and after Reich Minister of Economics Dr. Hugenberg appointed Dr. Otto Wagener and Alfred Moellers, who are members of the Reichstag, as Reich Commissioners for the Reich Association of German Industry and for the rest of the economy, with the exception of agriculture, and furthermore, after the nomination by Dr. Wagener of Dr. von Lucke as his deputy for the sphere of the Reich Association, the Reich Association for German Industry published the following declaration:

* Two earlier letters from Gustav Krupp to Hitler concerning the reorganization of the Reich Association of German Industry, dated 4 and 25 April 1933, respectively, are reproduced in "The Krupp case," vol. IX, pp. 340–343, this series. The Reich Association of German Industry prior to Hitler was a voluntary organization whose members came from all major fields of German industry.

In conformity with the principles of the national government, and at the same time in the interests of a uniform and rigorous execution—excluding any future individual action—of the tasks facing the Reich Association, the leadership principle [Fuehrerprinzip] will be put into practice in the following form for the over-all organization of the industrial associations:

In accordance with the resolution of the Praesidium, made on 6 April, by which the chairman, Dr. Krupp von Bohlen und Halbach, was unanimously authorized to prepare and carry out the measures for the simplification and reorganization of the industrial associations, Herr von Bohlen will use the extraordinary power conferred on him to—

1. bring the existing economic factors in the field of the organization of industrial associations into line with political necessity;

2. bring the new organization into agreement with the political aims of the Reich Government and to mold it at the same time on such rational and vigorous lines that, corresponding to the importance of industry, it can be an effective instrument of industrial economy within the framework of national, social, and economic reconstruction in every field.

This twofold task extends not only to the reorganization of the Reich Association of German Industry itself (i. e., in particular, the carrying out of all necessary measures concerning organization and personnel), but it embraces also the whole gamut of questions arising from the division of the economy according to professions. The primary aim of economy and industry must be to eliminate excessive organization while adhering as closely as possible to the existing state of affairs and preserving the precious possession of free self-administration, and to mold the organization in as simple and effective a manner as possible. The impoverishment of our nation compels us not only to simplify drastically the machinery of government but also to eliminate all overlapping in the association system which has arisen more or less accidentally as a result of historical development and has led to a frequently inorganic division.

In carrying out these tasks, which have already been taken up energetically with the cooperation of the Reich Commissioners appointed by the Reich Minister of Economics, the Chairman of the Reich Association will refer to wishes and lines of thought already cherished and expressed by himself.

Special advisory committees will be appointed to deal with individual current questions; for instance, the organization and division according to professions, the ethical basis indispensable also for economic life, the policies with regard to currency, credit,

taxes, etc. In recognition of the leadership principle, Herr von Bohlen will himself take the chair at all committees with the proviso that he will appoint deputies and assumes responsibility for decisions.

Upon conclusion of further negotiations with the Reich Commissioners, and upon completion of a final plan for the reorganization of the industrial association system, the authoritative bodies will be called to a special meeting. The task of this meeting will be to create a valid basis for the new organization of the Reich Association of German Industry.*

The Reich Association clearly realizes that the whole work of reform must be carried out on the one hand on the basis of the creative powers of the individual in the field of enterprise and labor, and on the other hand in recognition of the basic principle of the national idea and national responsibility, and that its success is not conditioned by the outer form of the organization in itself, but by the spirit in which the synthesis is found between political leadership and economic necessity, for the ultimate good of the state and the people.

PARTIAL TRANSLATION OF DOCUMENT WIR-51
GENERAL DEFENSE EXHIBIT 242

EXTRACTS FROM LAW RELATING TO TREASON AGAINST THE GERMAN ECONOMY

REICHSGESETZBLATT, PART I, PAGE 360

Law Relating to Treason Against the German Economy, Issued 12 June 1933

* * * * * * *

The Reich Government has enacted the following law, which is herewith promulgated:

Article 1

Assets Subject to being Reported (General)

(1) Subject to being reported are—

1. Assets which on 1 June 1933 were located in foreign countries; had a total value of more than one thousand reichsmarks; were subject to property taxes; but which, before 1 June 1933, were not reported to the Internal Revenue Office [Finanzamt] by either the taxpayer, or the person responsible for discharging the duties of the taxpayer.

2. Foreign exchange which, before 1 June 1933, had a value

* The Reich Association of German Industry later (1934) became the Reich Group Industry which was organized according to the Leadership Principle ("Fuehrerprinzip").

of more than two hundred reichsmarks and was subject to be tendered, but was not tendered, before 1 June 1933, to the Reichsbank.

(2) Assets (Art. 1, fig. 1) which are located in foreign countries, shall be subject to being reported also in those cases when they have been acquired after the last key-date, from funds which had been reported in the last assets statement (as being assets located either in Germany or abroad).

* * * * * * *

Article 8

Penalties Applying to Noncompliance of the Duty to Report*

(1) Any persons who are subjects of the German Reich on the date this law becomes effective shall, if they intentionally violate the duty to report (Art. 1 through 5), be punished for treason against the German economy with a penitentiary term of not less than 3 years. In case of mitigating circumstances, the punishment shall be a penitentiary term not to exceed 10 years. In addition to the penitentiary term, the loss of civil rights will be pronounced.

(2) Any persons who are subjects of the German Reich on the date this law becomes effective shall, if they negligently fail to fulfill in time their duty to report (Art. 1 through 5), be punished with a prison term of not less than 1 year.

(3) Any persons who are not subjects of the German Reich on the date this law becomes effective shall, if they intentionally or negligently fail to fulfill in time their duty to report (Art. 1 through 5), be punished with a prison term.

Article 9

Criminal Proceedings

(1) The Special Courts, constituted according to the decree about the establishment of Special Courts of 21 March 1933 (Reich Law Gazette I, page 136), shall have jurisdiction for offenses threatened with punishment, pursuant to Article 8.

(2) The provisions of the decree of 21 March 1933 shall apply for the proceedings.

(3) On account of a crime or an offense committed against Article 8, paragraphs 1 and 2, of this law, a main trial may be

* Another decree entitled "Law Against Sabotage of the Economy," promulgated on 1 December 1936 (*Def. Ex. 202*) increases the penalty for violations respecting assets in the following language: "(1) A German national who for his selfish advantages or for other base purposes, deliberately and unscrupulously, shifts or retains assets in foreign countries contrary to legal provisions and thereby causes grave damage to the German economy, shall be punished by death. His property shall be confiscated. Such person is also punishable if the act was committed in a foreign country. (2) The People's Court is competent for passing judgment."

held under the provisions of Article 276 of the Code of Criminal Procedure. The provisions of Articles 278 through 284 of the Code of Criminal Procedure shall apply. If the person sentenced is apprehended or gives himself up to the court, the court must, upon his application, grant a new main trial. With this resolution the former sentence becomes void.

Article 10

Implementation and Amendment

The Reich Ministers of Finance, Economics, and Justice are authorized, for the purpose of implementation and amendment of Articles 1 through 7 and Article 9 of this law (particularly also to prevent evasion), to issue ordinances and general administrative regulations. In addition, provisions may be issued concerning active repentence [taetige Reue] with regard to such assets which are not subject to being reported according to this law.

Berlin, 12 June 1933

* * * * * * *

TRANSLATION OF DOCUMENT NI-6930
PROSECUTION EXHIBIT 545

CORRESPONDENCE BETWEEN FARBEN, THE ARMY ORDNANCE OFFICE, AND THE REICH MINISTRY OF ECONOMICS, AUGUST AND NOVEMBER 1933, CONCERNING THE DEVELOPMENT OF SYNTHETIC RUBBER

1. Letter from Farben to the Army Ordnance Office, 15 August 1933

Copy/Kl.

I.G. Farbenindustrie Aktiengesellschaft
Ludwigshafen on the Rhine

To the Army Ordnance Office
Berlin-Charlottenburg 2, Jebenstrasse 1

Nitrogen Department

MC/Op. 190

15 August 1933 Wi.

During the period from 1910 to 1914, research work in connection with the manufacture of synthetic rubber had progressed so far that during the war it was possible to produce so-called methyl rubber on a large scale. This product, as it stands, does not bear comparison with natural rubber, as it is not exactly suitable for particularly important utilization such as tires. Dur-

ing the war, the product was mainly used as a substitute for hard rubber, e.g., in batteries. These hard rubber products were of great importance in submarine construction. It was impossible at the time, for technical reasons, to manufacture other kinds of synthetic rubber of any satisfactory quality.

A few years after the war, IG resumed its efforts in this field, with the result that products were obtained which, for a number of purposes, especially the manufacture of tire threads, rivaled natural rubber in durability. Furthermore, the manufacture of primary products was perfected to such an extent that it would have been possible to produce this new synthetic rubber entirely from German raw materials. At the time when our endeavors had reached that stage, the price of natural rubber was approximately 2 marks per kilogram. While we were busy making plans for a technical research plant, a slump in the price of natural rubber occurred, which brought it down to about 40 pfennigs per kilogram. It was hopeless, under such conditions, to proceed with our plans. Nevertheless we continued doing research work in our laboratories, with the result that it seemed possible to manufacture synthetic rubber which, particularly when used for tire threads, considerably surpassed natural rubber in durability. Since, as is common knowledge, the quantity of rubber required for a tire accounts only for a small fraction of the price of the tire, it would seem feasible to spend a much higher amount on each kilogram of a synthetic product, if the life of a tire were increased by, say, 50 percent. Of importance, furthermore, would seem to be certain indications that the new products surpass natural rubber tires in nonskid properties. On these grounds, the manufacture of synthetic rubber would seem to hold out some promise once again, so that IG would be willing to resume its experiments on a large scale.

In the assessment of the prospects for this future research work, however, one consideration is of decisive importance: The synthetic products differ a little from natural rubber in their chemical composition, but the method of processing them deviates greatly in that they are considerably more difficult to work up. Consequently, the methods used to date in the rubber industry cannot easily be applied to the new products. Manufacturing problems will therefore play an important part in future research. It is for this purpose that the cooperation of an efficient rubber factory is required. In the interest of such cooperation it is, in our opinion, essential that the government advise the rubber factory concerned that effective cooperation is expected of them. Furthermore, we feel that the government could best support the project by having the new tires tested on a large

number of government-owned vehicles. In our opinion, the number of the tires tested should not be lower than 1,000–2,000. Whether or not it will be possible to produce these tires at a price corresponding to that of natural rubber tires (bearing in mind the point of greater durability) we are not yet in a position to say since we are not able to estimate the additional costs which might arise during the processing in the rubber factory. In order to avoid misunderstandings, it should be stated once more that it is impossible to manufacture synthetic rubber at a price approximating, even remotely, that of the present price of natural rubber, but it is to be hoped that these higher costs will be counterbalanced by higher quality. Should the government decide to proceed in the manner indicated, IG would resume their work without delay and on a larger scale, to begin with, by manufacturing a considerable number of tires to be tested in their own factory. Should these tires prove satisfactory, the manufacture of tires for the government would follow.

I. G. Farben Aktiengesellschaft

Signed: FAHRENHORST

Signed: WILD

2. Letter From Farben To The Reich Ministry of Economics, 13 November 1933

I. G. FARBENINDUSTRIE AKTIENGESELLSCHAFT LUDWIGSHAFEN ON THE RHINE

Nitrogen Department

[Rubber stamp:]
File Reference
File 377 page 220

To the Reich Ministry of Economics
Berlin

MC—La/Op. 190

13 November 1933 Kl.

With reference to the meeting held at the Reich Ministry of Economics on 25 October 1933, with Ministerialrat Imhorst, Ministerialrat Muelert, and Captain Becht,* we are sending you a copy of our memorandum on this subject which we submitted to the Army Ordnance Office on 15 August 1933.

In our opinion, as was pointed out orally, it is necessary that, before we can resume our efforts on a larger scale, the government decide whether it is sufficiently interested in the manufacture of

* Later General Becht, who succeeded General Liese as Chief of the Army Ordnance Office (HWA).

synthetic rubber in Germany to be prepared to support the project in the manner indicated.

Briefly, such government support would consist, on the one hand, in securing the active cooperation of the rubber factory designated for the purpose—at the Army Ordnance Office mention was made of the Continental [Gummiwerke A.G.] in Hannover—and, on the other hand, in subjecting the new tires to an extensive practical test by government authorities.

At the meeting in your Ministry, we asked for assurance that, should the tests prove satisfactory, the Reich Ministry of Economics would support the project still further, e. g., by instructing governmental bodies, such as the Reich Post Office, and state-owned transport companies, to use synthetic tires.

Yours faithfully

I. G. Farbenindustrie Aktiengesellschaft

Signed: Wild

Signed: Fahrenhorst

Enclosure

3. Letter From The Reich Ministry of Economics To Farben 23 November 1933

Copy/Kl.

[rubber stamp]
File-Number
377 page 25/1

The Reich Minister of Economics
Berlin W 35, Viktoriastrasse 34

23 November 1933
Carbon-Copy to Dr. Mueller-Conradi

III B 390 30/33
To the I. G. Farbenindustrie Aktiengesellschaft at
Ludwigshafen on the Rhine
Reference: Letter dated 13 November 1933
Nitrogen Department MC—La/Op. 190

I am very much interested indeed in the manufacture of synthetic rubber in view of the decrease in the import of raw materials from abroad and also because of the opportunities it might offer for the provision of employment. I therefore appreciate it very much that your firm is prepared to resume the manufacture of synthetic rubber on a larger scale and to collaborate for this purpose with an efficient tire factory. I have written to the Continental-Gummiwerke A. G. in Hannover, attention of Generaldirektor Tischbein, along the lines suggested by you.

I shall, moreover, approach the Reich departments concerned, as soon as the tires are available, so that they can be subjected to extensive practical tests. Should the tests produce favorable results, I shall gladly give further support to the matter by instructing government departments and public institutions to use synthetic tires, provided prices are satisfactory.

As Deputy
Signed: 1 signature

TRANSLATION OF DOCUMENT NI–7828
PROSECUTION EXHIBIT 91

FILE MEMO CONCERNING A CONFERENCE BETWEEN REPRESENTATIVES OF THE REICH MINISTRY OF ECONOMICS, THE REICH AIR MINISTRY, AND THE REICH WAR MINISTRY, 8 NOVEMBER 1933

7 November 1933

Wa Wi to No. 1[5]50/33 Top Secret No. I (*a*)

3 copies, 1st copy

[Stamp] Top Secret

Result of the Conference held at the Reich Ministry of Economics on 6 November 1933

Present:
- Reich Minister of Economics Schmitt, Ministerialdirektor Posse, Ministerialrat Godlewski — Reich Ministry of Economics
- State Secretary Milch, Lt. Col. Wimmer, Capt. Jeschonnek — Reich Air Ministry
- General of the Artillery von Bockelberg, Major Warlimont — Reich Defense Ministry

General von Bockelberg reports to the Reich Minister of Economics on the wishes of the Wehrmacht in the field of economics.

The first part of his exposition deals with the request to the Reich Minister of Economics to safeguard the interests of Reich defense, when forming the over-all economic policy, by considering the wishes of the Reich War Ministry and Reich Air Ministry to the greatest extent possible. Examples are given from all fields which may come into consideration.

A number of special wishes concerning organization and materiel in connection with the actual A-preparations* is submitted in the second part.

* Preparations for the "A-Fall" which was the code word for in the case of war.

The Reich Minister of Economics states that he will, as far as possible, see to it that war economy aspects are considered; however, after a closer examination of some of the examples quoted, he emphasizes how difficult it is to bring these into line with the aspects of peacetime economy which must not be neglected either.

State Secretary Milch supports the detailed explanations of the Chief of the Army Ordnance Office, specially stressing the point that when decisions are made, war economy aspects must take priority until such time as some sort of adequate basis can be found for dealing with the question of the supplies necessary in Central Germany, in the event of a war.

In conclusion it is agreed that the detailed preliminary estimates for securing supplies by stockpiling of raw materials and the enlargement of raw material plants and depots, which at present are being worked out by the Army Ordnance Office, should be submitted to the Reich Ministry of Economics in the near future and should serve as bases for further measures.

[handwritten]

[initial] vB 8 November

[initial] G 8 November

1st copy (draft): To be filed, appendix contains detailed information

2nd copy: Reich Air Ministry—[handwritten] under separate cover

3d copy: Via Wa Wi III, to Wa Wi II

After 9 November 1933 [initial] F

Report Notes for the Conference with the Reich Minister of Economics

(1) *Safeguarding of the interests of Reich defense when forming the over-all economic policy by giving fullest possible consideration to the wishes of the Reich War Ministry*

The working plans issued in the spring of this year by the Reich War Minister, in his capacity of executive organ of the Reich Defense Council [Reichsverteidigungsrat], are to be taken as basis.

On this basis, special committees [Fachausschuesse] will be created in the Reich Ministry of Economics to deal with questions of cooperation, particularly in economic matters.

In spite of this, experience has often shown that there are conflicting interests between the aspects of peacetime economy and war economy.

Special wishes have been expressed in connection with the following:

1. Protection, above all, of the *German domestic production system* by all suitable measures, which include:

a. Customs legislation for the protection of German mining of nonferrous metal ores;

b. Tax legislation supporting the wishes of the Reich War Ministry at the Reich Ministry of Finance;

c. Tariff matters: supporting the wishes of the Reich War Ministry at the Reich Ministry of Transportation and at the Reich Railways. (Example: Ore tariffs for Central Germany, import of lubricants from Holland to Hamburg);

[Handwritten] Appendix to draft No. 1550/33 Top secret R.V. R.—II

d. Support of individual, particularly important firms [Handwritten] by official orders, etc.;

e. Installation *of new plants to be established in Central Germany* (hydrogenation plant constructed on the basis of the new Mineral Oil Law);

f. Avoidance of the expansion of *long distance gas procurement* from the Ruhr area to Central Germany;

g. Encouragement of standardization;

h. Subsidizing of models, particularly motor vehicles, which are of importance to the Wehrmacht;

(2) *Preparations for the "A-Fall"*

a. Measures concerning organization

Increasing the number of specialists for matters of war economy in the Referats of the Reich Ministry of Economics;

Early establishment of a provincial office in the Reich Ministry of Economics;

b. Measures concerning materials

Hard coal: Increase of storage capacities of the Reich Railways, coal syndicates [Handwritten: gasworks, and industrial concerns], simultaneously taking measures for labor allocation in distressed areas;

Iron ores: Increase of stocks at the Mitteldeutsche Stahlwerke, simultaneously taking emergency measures for the Siegerland mining industry;

Ferro-alloys: Stockpiling at the Mitteldeutsche Stahlwerke;

Nitric acid: Construction of a concentration plant has been started—to be assisted further;

Toluene: Establishment of supply depots, increase of production by setting up installations near gas plants;

Rubber: Encouraging synthetic production;

Fuels: Increased stockpiling and the enlargement of fuel tank installations within Germany to be made compulsory;

Electron: [Note: the word "Electron" was inserted in handwriting, space left blank].

Detailed proposals and cost estimates for a program covering the next few years are being worked out.

Considerable financial means are required; can probably only be obtained by strong combined pressure upon the Reich Ministry of Finance.

[Handwritten]: illegible initial

4/11

PARTIAL TRANSLATION OF DOCUMENT WIR-4 GENERAL DEFENSE EXHIBIT 195

EXTRACTS FROM LAW RELATING TO THE REGULATION OF NATIONAL LABOR LAW, 20 JANUARY 1934

1934 REICHSGESETZBLATT PART I, PAGE 45

Relating to the Regulation of National Labor, 20 January 1934

The Reich Government has enacted the following law which is hereby promulgated:

First Section

Leader of the Plant and Workers' Council

Article 1

In a plant, the employer, as the leader of the plant, and the employees and workers, as his personnel, work together for the furtherance of the plant's interest and for the common good of nation and State.

Article 2

(1) The leader of the plant shall decide in regard to his personnel, in all operational matters as far as provided for in this law.

(2) He is responsible for the welfare of his personnel. The latter owe him the loyalty derived from the plant community concept.

Article 3

(1) In case of corporations under public law and companies, their legal representatives will be leaders of the plant.

(2) The employer or, in the case of corporations under public law and companies, the legal representatives may appoint as deputy a person actively engaged in the management of the plant; this must be done if they do not manage the plant themselves.

* * * * * * *

Second Section

Trustees of Labor

Article 18

(1) For larger economic areas, the boundaries of which will be fixed by the Reich Minister of Labor in agreement with the Reich Minister of Economics and the Reich Minister of the Interior, trustees of labor will be appointed. They will be Reich officials and will be under the supervision of the Reich Minister of Labor. The Reich Minister of Labor, in agreement with the Reich Minister of Economics, will fix their seats of office.

(2) The trustees of labor will be bound by the directives and instructions of the Reich Government.

Article 19

(1) The trustees of labor are responsible for the maintaining of labor peace.

* * * * * * *

Article 22

(1) Any person repeatedly and deliberately contravening written general orders of the Trustee of Labor, which the latter has issued in the execution of his duties, will be punished with a fine; in particularly grave cases, a prison term alone or in addition to the fine can be imposed. Prosecution will only be opened on the application of the trustee of labor.

(2) Conviction for the act threatened with public punishment, does not exclude the prosecution of the same act as an offense against the social honor.

* * * * * * *

Fourth Section

Courts of Social Honor

Article 35

All members of a plant community are responsible for the conscientious discharge of the duties incumbent upon them according to their positions within the plant community. They have to prove, in their conduct, worthy of the respect derived from their position in the plant community. They must, particularly, always be conscious of their responsibility and devote their full strength to the service of the plant and subordinate themselves to the common weal.

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT NI-100
PROSECUTION EXHIBIT 71
(Also Document WIR-5
General Defense Exhibit 196)

EXTRACTS FROM THE DECREE OF 27 FEBRUARY 1934 EMPOWERING THE REICH MINISTER OF ECONOMICS TO RECOGNIZE ECONOMIC ASSOCIATIONS AS THE SOLE REPRESENTATIVE OF THEIR ECONOMIC FIELD, AND RELATED MATTERS

REICHSGESETZBLATT, PART I, PAGE 185

Law for the Preparation of the Organic Structure of the German Economy, 27 February 1934

The Reich Government has enacted the following law which is hereby promulgated:

Article 1

The Reich Minister of Economics is empowered for the preparation of the organic structure of the German economy.

1. To recognize economic associations [Wirtschaftsverbaende] as the sole representatives of their economic field;

2. To establish, to dissolve, or to merge economic associations;

3. To amend, to supplement by-laws and contracts [Gesellschaftsvertraege] of economic associations; particularly to institute the leadership principle [Fuehrergrundsatz];

4. To appoint and to recall the leaders of economic associations;

5. To affiliate entrepreneurs and enterprises with economic associations.

Economic associations are such associations and federations of associations, which are charged with taking care of economic interests of entrepreneurs and enterprises.

Article 2

The Reich Minister of Economics may issue legal decrees [Rechtsverordnungen] and general administrative orders [Verwaltungsvorschriften] for the execution of this law with the consent [Einvernehmen] of the Reich Minister of the Interior; he may also issue orders [Vorschriften] of supplemental character [Inhalt] with the consent of the Reich Minister of the Interior.

Article 3

Whoever violates deliberately or negligently a regulation which the Reich Minister of Economics has issued on the basis of this law, or executive orders thereto, is punishable with a fine or imprisonment up to 1 year. The prosecution [Strafverfolgung]

is effected only upon application by the Reich Minister of Economics. The application may be repealed.

Article 4

No compensation will be made for a damage which arises from the measure on the basis of this law.

* * * * * * *

Berlin, 27 February 1934.

The Reich Chancellor
ADOLF HITLER

The Reich Minister of Economics at the same time for the Reich Minister of Food and Agriculture
DR. SCHMITT

The Reich Minister of the Interior
FRICK

The Reich Minister of Transportation
BARON VON ELTZ

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT WIR-62 DEFENSE EXHIBIT 256

EXTRACTS FROM LAW AMENDING THE PROVISIONS OF THE CRIMINAL CODE AND CRIMINAL PROCEDURE, 24 APRIL 1934

1934 REICHSGESETZBLATT, PART I, PAGE 341

Law Amending the Provisions of Criminal Law and Criminal Procedure, dated 24 April 1934

The Reich Government has enacted the following law which is hereby promulgated:

Part I

The first section (articles 80 to 93) in the second part of the Criminal Code is replaced by the following:

* * * * * * *

Section 1*a*

Treason

* * * * * * *

Article 91*b*

Whoever, in Germany or as a German abroad, during a war against the Reich or in connection with an imminent war, gives support to the enemy or injures the military power of the Reich or her allies shall be punished by death or by hard labor for life.

If the act has caused only insignificant injury to the Reich and her allies and only an insignificant advantage to the enemy and could not have had more serious results, a punishment of a minimum of 2 years hard labor can be inflicted.

* * * * * * *

Article 92*a*

Whoever, during a war against the Reich or during the time of an imminent war, does not fulfill a contract with a government agency pertaining to the requirements of the Armed forces of the Reich or one of her allies, or fulfills it in a manner which may thwart or endanger the purpose of the contract, will be punished by imprisonment of at least 1 year. The same applies in times of general emergency to a contract with a government agency for the supply or transport of foodstuffs or of other objects required for the relief of the general emergency.

The same punishment will be inflicted upon subcontractors, agents and representatives of the contracting party who, through violation of their contractual duties, thwart or endanger the fulfillment or correct fulfillment.

Whoever commits the act through negligence, will be punished by imprisonment up to 2 years.

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT WIR-6 GENERAL DEFENSE EXHIBIT 197

EXTRACTS FROM THE LAW CONCERNING ECONOMIC MEASURES, 3 JULY 1934

1934 REICHSGESETZBLATT, PART I, PAGE 565

Law Concerning Economic Measures, 3 July 1934

The Reich Government has enacted the following law which is hereby promulgated:

Article 1

1. The Reich Minister of Economics is empowered to take all measures within the sphere of his office which he deems necessary for the promotion of the German economy as well as for the prevention and elimination of economic sabotage. As far as the measures fall under the jurisdiction of another Reich Minister they are to be taken in agreement with him.

2. Measures taken on the basis of paragraph 1 may deviate from existing laws.

Article 2

The Reich Minister of Economics may determine that offenses against his regulations be punished with prison and fine, or with one of these penalties. The maximum of the fine is not limited.

Article 3

This law takes effect with its promulgation. It expires 30 September 1934.

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PARTIAL TRANSLATION OF DOCUMENT WIR-22
GENERAL DEFENSE EXHIBIT 213

DECREE RELATING TO THE DISTRIBUTION OF LABOR, 10 AUGUST 1934

1934 REICHSGESETZBLATT, PART I, PAGE 786

Law Relating to the Distribution of Labor, dated 10 August 1934

Pursuant to the Law on Economic Measures of 3 July 1934 (RGB1. I, page 565) and in agreement with the Reich Minister of Labor and the Deputy of the Fuehrer of the NSDAP, I decree as follows:

Article 1

The President of the Reich Institute for Labor Exchange and Unemployment Insurance alone is authorized to regulate the distribution, and especially the exchange of labor.

* * * * * * *

Article 4

Whoever violates the preceding provisions, and the orders issued according to Article 3, is subject to punishment according to Article 2 of the Law on Economic Measures of 3 July 1934 (RGB1. I, page 565).

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT EC–128
PROSECUTION EXHIBIT 716

EXTRACTS FROM A TOP SECRET MILITARY MEMORANDUM, 30 SEPTEMBER 1934, CONCERNING PROGRESS IN ECONOMIC MOBILIZATION

Part A

10 Copies, 2d Copy

Report on the status, on 30 September 1934, of the economic mobilization project, including a short explanation of the attached compilation of regulations

Top Secret

* * * * * * *

Berlin, 30 September 1934.

Section I

Introduction. The Problem and Methods for its Solution

(1) *The Problem*

Importance of the task

Following the establishment of the Reich Defense Council and its permanent committee, the Reich Ministry of Economics has been charged with the task of mobilization for economic warfare. [Note in the original] (For limitations of its departmental responsibility, see page 6.)

The tremendous importance of this task really ought not to require any further explanation. The terrible consequences of the lack of any economic war preparations for World War I are still vividly remembered. During World War I itself we suffered grave and irretrievable losses through the initial policy of unscrupulous waste. These losses were increased by the, in many cases, belated start of a policy of conservation. All these measures were of necessity of an improvised nature. At first a uniform conception of the over-all economic-political situation was lacking; this only came about gradually. Only then could the multifarious measures be coordinated and the reactions taken into account, which any one measure would be liable to have in another sphere. But even after this stage of war economy had been reached—approximately in the autumn of 1916—the lack of a thoroughly considered plan for preparing the war economy made itself felt in a detrimental way. There are natural limitations to war economy, even if it is prepared in the best possible way in all its aspects as to organization, law, and economic policy. These limitations depend on the amount of raw

materials available either from domestic production or from imports, and on the production capacity of the factories. These limits cannot be overcome successfully by any attempt at overambitious plans, for any attempt to stretch the basis of raw materials *ad infinitum* will be impeded by a lack of raw materials and production facilities arising from the fact that they are needed for other urgent purposes, in the same way as, on the other hand, the development of manufacturing plants, transport facilities, etc., depends on the availability of indispensable raw materials. [Handwritten marginal note: Very good!] The so-called "Hindenburg Program" of autumn 1916 made such an attempt. This led to grave reverses in many spheres, and probably there is some justification for the opinion that it was owing to this program that our economic power did not reach its peak efficiency (the *optimum*).

Increased Importance of Task since the End of the War

During the period following the World War several factors arose which increased the need for Germany's economic preparations for war:

1. Since then the importance of all technical matters for warfare has increased even more, and with it the importance of industrial supplies. By the end of the World War, technical weapons of the utmost importance, like the Luftwaffe and tanks, were still in their infancy in comparison with the present time or the near future. These weapons especially require particularly high quality precision work in modern industrial plants as well as large quantities of valuable raw materials for their production and maintenance.

2. The requirements of the civilian population for mass-produced consumer goods have undoubtedly risen since the end of the war; their *sudden restriction* today would have the most serious *psychological repercussions.* [Handwritten marginal note: This would be unavoidable!]

3. Because of the steady progress of the "increased efficiency program" [Rationalisation] and the substitution of machinery for manpower everywhere in industry, including transportation (motorization), the technical requirements of industry have increased substantially in the meantime.

4. The geopolitical and military-political situation for a considerable time to come probably will be much less favorable than it was in 1914–1918. At that time we were in a position to extend our raw material and production bases to the West (Longwy, Brie, Tourcoing, Roubaix, Antwerp [textiles]), to the East (Lodz), and to the Southeast (ore mines in Serbia and Turkey, mineral oils in Romania); today we must reckon with being

pushed back and limited to our own country, and even with the possibility of thereby losing the most valuable industrial regions [Handwritten: and raw material sources] in the East and in the West.

Such an economic situation appears so desperate it might be argued that an adjustment of economic war preparations to fit these conditions would be futile. This argument, however, cannot be considered as justified. We must certainly remain aware of the fact that in such a situation, without import possibilities, economic reasons alone would make it impossible to wage war for longer than a few months; from the recognition of these facts conclusions might be drawn concerning our foreign policy and our policy with respect to our allies [Buendnispolitik]. However, nobody would, because of these factors, dismiss a limited military mobilization policy as futile, and by the same token, they must not be allowed to affect our economic mobilization program. And even if we only succeed in prolonging that period for some weeks, by strict organization aimed at coordinating all our economic forces and by an instantly applied rigorous policy of conserving our economic resources, the economic mobilization at least will not have fallen behind the limited military mobilization.

Departmental Responsibility of the Reich Ministry of Economics

The Reich Ministry of Economics is in charge of industrial affairs, with the exception of the production of Wehrmacht equipment proper for which the Wehrmacht authorities are responsible. [Handwritten marginal note: Limitation of responsibility!] In case of emergency this production naturally takes up the major part of the manufacture of finished industrial products; but as it is the task of the Reich Minister of Economics to make available all raw materials and *semimanufactured goods* [Handwritten marginal note: *not* the semimanufactured goods; and raw materials *only in general*], including the raw materials etc., necessary for the production of Wehrmacht equipment, and as he is, moreover, responsible for the production of all technical and civilian requirements, this task remains large and important enough. This division of tasks, because of the close connection between them, requires the closest personal and technical collaboration between the respective responsible authorities (Reich Ministry of Economics, Army Ordnance Office, Army Administration Office, Reich Air Ministry). [Handwritten: Navy?] This collaboration was an important result of the work done during the first year. Its importance with regard to the smooth functioning of the measures prepared in case of emergency cannot easily be overestimated. The technical and personal col-

laboration between the Reich Ministry of Economics and the Army Ordnance Office was particularly close, especially as the excellent preparatory work of the Army Ordnance Office, in the sphere of raw materials particularly, was the only available source on which the Reich Ministry of Economics could base its work in its initial stages. The earnest desire of both parties to require the same close collaboration from their field offices in the districts outside Berlin (some of which are already in existence, while others will be established within the next few days), gives reason for hoping that throughout the country too this indispensable mutual understanding is being established even in peacetime.

Theoretical and Practical Work

The task of the Reich Ministry of Economics is divided into two parts; namely, a theoretical one and a practical one. The theoretical part consists of making preparations for war economy by means of legislation and organization. [Handwritten note: First the framework!] This includes the drafting of all laws, regulations, ordinances, and decrees intended to introduce the policy of *conserving economic resources* [Handwritten note: More than that is involved!] and on which requisitions, consumption restrictions, and regulations about the abolishment of requisitions are based. As to organization, plans are drawn up on paper first, then follows further preparation by appointing the persons in charge and by making available the necessary staff and offices. Thus the organizations are set up for the rationing of the various materials which are to be conserved and for a unified central direction of the entire war economy.

* * * * * * *

The intolerable state of complete unpreparedness, which prevailed when the work was started, had to be brought to an end as soon as possible by setting up a *framework* and small initial organizations for a start. This was the immediate aim. Apart from the fact that the task of establishing numerous organizations and appointing the respective executives still remains to be done, this objective can be considered as having been *reached.* But this immediate objective needs to be supplemented by a *long-range objective.* Soon after the work started, and since then in increasing measure, it became evident that the attainment of the immediate aim would be no more than an emergency solution. To be sure, all the various regulations affecting economic affairs, as laid down in the ordinances under discussion, offer the possibility of instantly taking precautions against a wasteful policy and of just as quickly introducing a conservation policy. Certainly, much is gained by this. But saving and preventive actions are after all only repressive or, in terms of the development of eco-

nomic potentialities, negative measures. A self-sufficient economy, as we have to envisage it in case of war (A-Fall), follows a constructive course only if the enterprises are not merely informed what they are permitted or not *permitted* to do, but what they *must* do.

One central authority therefore has to issue precise instructions to each individual industrial enterprise. [Handwritten note: or for the entire economy?] Only this could be called a truly effective economic mobilization. This is, of course, a plan and a task, the magnitude of which can hardly even be imagined at present; this is true not only and not so much in view of the huge number of enterprises (apart from the smaller ones about 200,000 industrial enterprises are involved) but mainly on account of the immense variety of the branches of industry and their complex interrelation. Any individual order placed for the sake of a certain production necessitates 10, 30, 50, or 100 simultaneous individual orders to subsuppliers and subcontractors for the numerous kinds of raw materials and partly finished goods of which a finished product is composed—besides specific directions for transport, loading, and reloading facilities. Years will be required to prepare for such a thorough economic mobilization. Today some of the basic prerequisites for this project are still lacking, although in the first year one of the most important initial steps had already been started by setting up a card-index of enterprises and a comprehensive statistical system of a new kind. For the first time, these statistics will provide in figures a basic picture of the interlocking and interdependence of the various branches of industry. In addition this statistical material will prove to be of the greatest value for restrictions and economizing. This statistical system was started at the beginning of 1934, thanks to the Reich Minister of Finance who generously and speedily made available RM 1,200,000 from budget funds. Thus it became possible, without losing time, to create one of the basic requirements for planning the long-range objective even during the preliminary work for the above-mentioned immediate objective. The appointment in several districts of *14 "special plenipotentiaries"* [*Sonderbeauftragte*] *of the Reich Ministry of Economics,* which is being carried out at present, also constitutes an indispensable basis for future work. These offices are intended to be the *nuclei for future decentralization* which will also facilitate the preparatory planning to be done by the central authority at an intermediate level.

Special difficulties

The execution of the work was hampered and made difficult by several factors:

1. The task is different from others insofar as it has to be solved without reference to actual "precedents." To be sure, the study of the 1914–18 war economy system, which data so far unfortunately has been utilized only to a small extent, certainly offers valuable suggestions. [Handwritten note: Data is continually being supplemented with the cooperation of the Reich Ministry of Economics] But the mere copying and imitation of the measures adopted at that time is out of the question in view of the above-mentioned difference between the situation then and now. [Handwritten note: On the contrary! This is the very reason why we should avoid the former inadequate methods and develop the good ones!] Therefore the ordinances submitted are in every respect new and original drafts. The experience and knowledge gained by the control offices [Ueberwachungsstellen] for raw materials and goods of all types, which were set up during the past six months and considerably increased recently, serve as more important examples, particularly in regard to organizational questions. The Referat therefore remains in continuous close touch with all of them and has partly participated in their establishment. Proper care will be taken that the experience gained by the control offices will not be lost to our economic war preparations in case of any sudden dissolution of the offices. But even these examples and experiences can only be utilized to a limited extent. Generally we find ourselves covering completely new territory in our preliminary work.

2. The peculiar aspects of this task resulted in the fact that the initial grant of budgetary appropriations, which were indispensable for the practical part of the adopted measures, was delayed beyond the start of the fiscal year (1 April) 1934. Not until then was the road clear for the final planning and the starting of several practical measures. They were then executed with great energy. This task claimed most of the time of the Referenten so that the theoretical work was temporarily forced somewhat into the background. It was possible to meet the increase of work on hand by expansion of the Referat, which at first was administered by only one full time higher official, to a Referat which was divided into departments *and in which eight Referenten now serve under the direction of a full-time Ministerialrat.* [Handwritten marginal note: An achievement nevertheless, in view of the fact that 16 months ago, we started with one part-time, active official.] This Referat is immediately subordinate to the Minister and State Secretary of the Reich Ministry of Economics. [Note in original: Particulars concerning these measures are contained in the committee reports (See section II).]

3. The growing deterioration of the foreign currency situation

made it impossible to execute all those plans which required immediate expenditure of foreign currency, such as for example, the additional stockpiling of nickel, metals for steel tempering, rubber and other foreign raw materials. At present it is even *difficult* [Handwritten marginal note: To some extent even *impossible*, according to conferences!] to make available the raw materials—or the foreign currency to buy them—which are required for the execution of the present armament program; this problem frequently causes considerable anxiety. Under the prevailing conditions additional foreign raw materials can only be stockpiled in exceptional cases.

4. Further complications arose out of the necessity for taking very urgent top-priority measures on several occasions because of the critical state of our foreign affairs, particularly after Germany left the League of Nations. Consequently we had to deviate twice from the schedule of work which was based on 1 October 1934.

5. Finally, the *compelling necessity of camouflaging* the entire work tends to render this work considerably more difficult, especially in its initial stages. Explicit instructions in writing have to be replaced by lengthy verbal discussions, and frequently it is necessary to exercise special precaution and discretion when selecting persons for confidential employment or when members of the business world lend us their assistance.

The fact should be stressed that this enumeration of the difficulties encountered is not an attempt to shirk responsibility in any way or to make excuses for the responsible authorities. The former does not apply for the very reason that these difficulties have their origin in the matter itself, and because it has to be appreciated gratefully that the Reich Ministry of Economics when dealing with the other departments concerned, in general, has met with increasing understanding for its frequently extensive demands. Any specific justification appears to be entirely unnecessary, however, because the offices responsible are convinced of having done their utmost to make good, within barely 18 months, the omissions of the past 15 years. They are, in addition, quite conscious of the imperfection of what has been accomplished so far, since they are always comparing it with the magnitude of the task before them.

Work Methods—Committees and Their Tasks

The external organization was as follows: At the suggestion of the Reich Defense Ministry, 5 committees were formed at first; a sixth was created later. Under the chairmanship of the respective competent senior officials of the Reich Ministry of Economics,

the basic policies for the work and the working plans first were established by means of discussions held jointly with almost all the Referenten of the Reich Ministry of Economics, and the other departments concerned (such as the Reich Defense Ministry, Reich Air Ministry, Reich Ministry of Food and Agriculture, Reich Ministry of Labor, and Reich Ministry of Transportation). This method of working, which was very brisk in the beginning, had the advantage of bringing all the responsible Referat leaders of the Reich Ministry of Economics into contact with problems of war economy, which at that time were still of less immediate concern to them. This also had an effect on the work of the economic-political experts of that time. As the work progressed—but especially ever since the work of preparing practical peacetime measures, which was often time-wasting and extremely difficult from the legal point of view (such as stockpiling for, and construction of, new plants at the expense of or subsidized by the Reich) became foremost in importance—the simultaneous overburdening of the Reich Ministry of Economics, caused by the unprecedented increase in routine work, made it necessary to transfer the extensive executive and detail work to Referenten appointed expressly to attend to it.

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Prompted by the realization (obtained by these methods) of the critical danger points and the requests submitted by the Reich Ministry of Defense on the strength thereof, a number of measures were introduced to overcome the most urgent difficulties as follows:

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9. Pyrites* are the basic raw material of sulfuric acid, which is an indispensable chemical intermediate product. In Germany it can only be produced in the danger zone (Westphalia). The I.G. Farbenindustrie A.G. has been induced to complete the stockpiling of an additional amount of pyrites during this winter. Furthermore, the conversion of a large plant of this Konzern to the production of sulfuric acid from gypsum is going to bring considerable relief in this respect.

Since the appointment of a Commissioner in charge of Raw Materials at the Reich Ministry of Economics, the work of the Raw Materials Committee is being conducted in close collaboration with him. The investigations made and the measures taken by the Commissioner for Raw Materials in order to increase our raw materials supply by home production, as well as to promote

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* See Document NI-8843, Prosecution Exhibit 749, "Correspondence re Stockpiling of Iron Pyrites," reproduced in subsection I 2.

the manufacture of substitutes and synthetic materials, are of direct benefit to our economic war preparations. His research work, done under the pressure of the present emergency, will for a long time to come, and in any case, for war economy purposes, prove to be a rich source of most valuable information.

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PARTIAL TRANSLATION OF DOCUMENT NI–10545
PROSECUTION EXHIBIT 72

EXTRACTS FROM THE DECREE OF 27 NOVEMBER 1934, CONCERNING THE FURTHER ORGANIZATION OF ECONOMIC ASSOCIATIONS AND THE APPOINTMENT AND COMPETENCE OF THE LEADERS OF VARIOUS ECONOMIC GROUPS*

1934, REICHSGESETZBLATT, PART I, PAGE 1194

* * * * * * *

First Decree for the Execution of the Law for the Preparation of the Organic Structure of the German Economy, 27 November 1934

On the basis of paragraph 2 of the law for the preparation of the organic structure of German economy of 27 February 1934 (Reichsgesetzblatt, part I, page 185) it is decreed:

Section I

Organization of industrial economy

Par. 1

The industrial economy will be combined and divided by subjects and districts.

The organization and the public-legal representations of industrial economy will be organically combined.

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Section III

Appointment and competence of the leader of the group

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* On the basis of this decree the Reich Group Industry, headed by Wilhelm Zangen, succeeded the Reich Association of German Industry as the peak economic organization of industry. The defendant von Schnitzler was on the Greater Advisory Council of the Reich Group Industry. Among the principal economic groups under Reich Group Industry was the Economic Group Chemical Industry. The business manager of this group was Claus Ungewitter, who at the same time was Reich Plenipotentiary for Chemistry. Several of the defendants held official positions in this Economic Group.

Par. 11

Every group of the industrial economy will receive a leader who will work without pay.

The leaders of the Reich Groups and the Main Groups of industry will be appointed and dismissed by the Reich Minister of Economics.

The leaders of the Economic Groups will be appointed by the Reich Minister of Economics at the suggestion of the leader of the Reich Group (the principal Group of the industry) and will be dismissed after he has been heard. The leaders of the special groups [Fachgruppen] and special subgroups [Fachuntergruppen] will be appointed by the leader of the Reich Group (the principal Group of the industry) and will be dismissed after he has been heard. The leaders of the district groups of a Reich Group and the branch offices of such district groups will be appointed and dismissed by the leader of the Reich Group, and the leaders of the district groups will be appointed and dismissed by the leader of the Economic Group in cooperation with the leader of the Economic Chamber [Wirtschaftskammer].

The district subgroups of a district organization which are connected with the chambers of industry and commerce, and branch offices of district groups are subordinated in regard to subject matters to the leader of the district group and in regard to district matters to the chairman of the chamber.

* * * * * * *

Par. 12

The leader decrees the bylaws of the group. The bylaws must be in accordance with the regulations of this decree.

Par. 13

With the approval of the leaders of the group on the next higher level, the leader of a group appoints deputies and one or more managers, as needed, who conduct current business according to his instructions.

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TRANSLATION OF DOCUMENT NI–7285
PROSECUTION EXHIBIT 578

LETTER FROM PISTOR, MEMBER OF FARBEN'S MANAGING BOARD, TO DEFENDANT TER MEER, 7 FEBRUARY 1935, TRANSMITTING A MEMORANDUM ON A CONFERENCE AT THE REICH AIR MINISTRY CONCERNING MAGNESIUM PRODUCTION

I.G. Farbenindustrie Aktiengesellschaft — 7 February 1935
Bitterfeld — [Stamp]
Technical Dept.
Leverkusen, 9 February 1935

To: Director Dr. F. ter Meer,
Frankfurt am Main, Grueneburgplatz

Dear Dr. ter Meer,

Yesterday I discussed very thoroughly the question Magnesium/Wintershall[1] with the officials of the Ministry and take pleasure in enclosing herewith a copy of my notes on this conference.

With German salute
yours very faithfully
(Signed) G. PISTOR[2]
[Illegible Initials]

Copies to:
Director Dr. Kuehne
Director Weber-Andreae

Memorandum

Confidential!

On the Conference Held at the Reich Air Ministry on 6 February 1935, at 12:00 o'clock

Present: General Kesselring[3]	Reich Air Ministry
Ministerialrat Hoefeld	
Tschersig	
von Hellingrath	
Dr. Bader	Army Ordnance Office
Dr. Pistor	I.G., Bitterfeld

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[1] The Wintershall corporation was Farben's only German competitor in the production of magnesium. The tables on "German production capacities" in Document NI–7562, Prosecution Exhibit 590, a report of the Krauch Office, reproduced below in subsection G 5, show that Wintershall's capacity between 1936 and 1939 was 2,000 tons of magnesium per year, whereas the capacity for Farben's plants was 15,800 tons per year. The defendant Buergin testified concerning the role of Wintershall as a Farben competitor (tr. pp. 8357–8359).

[2] Dr. Pistor was a member of Farben's Vorstand and chief of Farben's Works Combine Central Germany (which included the magnesium plants) until the year 1938 when he was succeeded by the defendant Buergin.

[3] General Albert Kesselring, in February 1935, was chief of the Administrative Office of the Reich Air Ministry.

I had asked General Kesselring for an interview because Mr. Tschersig of the Reich Air Ministry had told us in a conference on 1 February 1935 that the quantity of electron metal for Aken plant No. 2 would not be 500 tons but only 350 tons. I suspected that the difference of 150 tons was going to be reserved for production by Wintershall. I stated that, for a long time, the question Wintershall had been disturbing to us, but that we had not succeeded in getting information on it from the Reich Ministry of Economics or from Dr. Bader. I also mentioned that Colonel Leeb, with whom I had discussed the matter, told me on 16 January that he did not know anything about an order having been given, that he, however, was not in charge of the department any more. I mentioned that in an interview with General Liese,* arranged in December upon recommendation of Geheimrat Bosch, Krauch, too, had been told, that nothing was known about an order having been given to Wintershall. I said that some weeks ago, I had approached General Kesselring, as the gentlemen present knew, but that I had been told by him, too, that he did not know anything about an order having been given to Wintershall. Therefore, I said, I was surprised and disturbed by Mr. Tschersig's information for I had to consider an order given to Wintershall as very detrimental to the interests of IG, since IG merits far greater credit than Wintershall for the development of magnesium metal, and that I should regret it most sincerely, particularly from the economic point of view, if Wintershall should actually receive an order. I explained that government deliveries would certainly cease one day; at that time only a small production would remain to be carried out, and because of the competition which Wintershall would certainly start on a considerable scale, conditions would become bad for our factory and office employees.

I repeated what I had told Dr. Bader several times, namely that Dr. Schacht had taken these economic factors particularly into consideration when, at the time production capacity of the German aluminum factories was on the increase, other aluminum works also tried to enter into competition with us. I could not imagine, I said, that the responsible authorities of today desired such a development in the future. If Dr. Bader had given such an order to Wintershall, I went on, we would be very much surprised, especially since we had received Dr. Bader, as representative of the Ministry of Economics for Aken, with the utmost friendliness and sincerity and had shown him, on his request, all the installations down to the smallest detail, and had given him the most detailed information on everything whenever he asked for it.

Furthermore, I said, I should like to draw the attention of the

* In February 1935, General Liese was Chief of the Army Ordnance Office.

gentlemen present to the rumor reported to us that Wintershall had asked MAN [Maschinenfabrik Augsburg-Nuernberg A.G.] about the availability of casting machines for light metals and, as MAN told us, had shown themselves very well informed on our casting methods. I recalled that we had forwarded this report to Dr. Bader and other offices concerned with this matter. Then I pointed out that not only was considerable credit due us for developing the electron metal but that we, and none other, had developed a process of filling the textile cylinders[1], which was quite different from and safer than the methods previously used, which had left much to be desired.[2]

Dr. Bader replied that Wintershall had approached the Army Ordnance Office with the request to be allowed to produce magnesium, and that it had been his duty to examine that request. He had thought the application to be advantageous to the Army Ordnance Office because Wintershall had been prepared to build a magnesium factory without asking the Army Ordnance Office for financial aid. Furthermore, he said, it is known that magnesium was in very short supply as had been proven by the discussions held recently at the Army Ordnance Office. Bader then explained that the site for the magnesium factory projected by Wintershall was well situated geographically. For all these reasons, Bader said, the Army Ordnance Office, on 11 December of last year, had given the order to Wintershall with the knowledge and with the approval of Colonel Leeb. I replied to Dr. Bader that I had visited Colonel Leeb on 16 January 1935, as I had already mentioned, and that Colonel Leeb had known nothing about an order for Wintershall. I stressed that we had always fulfilled our obligations for delivering magnesium/electron metal, at least until the end of December 1934, and that in January 1935 we had reached an agreement with General Kesselring to the effect

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[1] The translator made this note: "Textile cylinders (Textilspulen, Textilhuelsen) is a code word for incendiary bombs." Concerning "Textilhuelsen," Dr. Struss, the chief of the Bureau of Farben's TEA [Technical Committee], stated in an affidavit (*Doc. NI-4882, Pros. Ex. 744*, par. 3):

"3. By order of the Luftwaffe construction of a new large magnesium plant was planned at Aken on the Elbe, probably as early as the end of 1933; shortly thereafter plans were made for a second one at Stassfurt. Shortly after the start of production in Aken, probably in the summer of 1935, I visited Aken as well as Bitterfeld and noticed that, without doubt, practically the entire production was stored there in the form of tubes and packed into cases. These tubes were approximately 8 centimeters in diameter, one centimeter thick and 20 centimeters long. Without doubt these tubes were parts of incendiary bombs. These tubes were packed into standard-size boxes and were called "textile shells" [Textilhuelsen]. Everybody laughed, whenever somebody spoke about, or mention, "textile shells" [Textilhuelsen]. The meaning was common knowledge, and therefore everybody grinned whenever "textile shells" [Textilhuelsen] were transported through the plant."

[2] For a further discussion of the development of incendiary bombs see Dr. Neukirch's report on behalf of the Krauch Office (*Doc. NI-7562, Pros. Ex. 590*), particularly chapter 4, entitled "The Growth of the Magnesium Industry after the Assumption of Power until the Beginning of the Four Year Plan; 1933-1935," extracts of which have been reproduced below in subsection G 5.

that, as an exception, we would divert from the Aken deliveries certain orders for abroad which would be paid in foreign currency, and that we would make up the resulting shortages by making partial deliveries to the Army Ordnance Office at a later date. General Kesselring had stressed the importance of getting foreign currency and had fully agreed to the steps we had proposed to take. I also mentioned that I had discussed this question with Dr. Bader's office as late as mid-January 1935, whereas the order had been given to Wintershall (as Dr. Bader had just told us) before that date, namely on 11 December 1934. Therefore I had to complain bitterly of the unfriendly spirit shown towards us in this matter by Dr. Bader. General Kesselring said he had to confirm my statement that I had asked him about this matter, and that he had informed me that he did not know anything about an order for magnesium; he himself had heard about this order only four days ago and had to join me in the protest against the lack of confidence and cooperation between the Reich Ministry of Economics and his own staff. He mentioned that new regulations were in force since Saturday night, to the effect that everything connected with electron metal was to be handled only by the Reich Air Ministry and no longer by the office in Jebenstrasse [Army Ordnance Office]. He regretted to say that the Reich Air Ministry had to take over the order given to Wintershall, but he promised that the new situation thus created would be taken into consideration when the new agreement between IG and the Reich Air Ministry would be drawn up.

I concluded by saying I had heard that the order had been given at the price of 6.80 reichsmarks per kilogram, which was an exorbitant price. Dr. Bader refused to reveal the price, but said he was satisfied that the small quantity, compared to the big quantities we were producing, would do us no harm in the future either. I replied that 150 tons, if the order to Wintershall had been given for that quantity, are sufficient for the entire peacetime requirements of Germany, and that I had told him so expressly and repeatedly.* Dr. Bader also mentioned that the MAN [Maschinenfabrik Augsburg-Nuernberg A.G.] had approached Wintershall on their own accord in the matter of casting machines, as he had been told by one of the leading executives of Wintershall. I had to refute this statement as incorrect.

I stressed again the point that Wintershall had received no information on our casting machines from us, but that we had definite information coming from the MAN agent concerned as well as directly from MAN, that Wintershall had asked MAN

* On this point, see testimony of the defendant Buregin reproduced below in subsection H 4.

questions about casting machines and had shown themselves to be very well informed indeed on our machines. For quite a long time we have had an agreement with MAN which prohibits their selling the casting machines designed by us to anyone else.

General Kesselring has promised me every assistance possible in the Wintershall question.

Following this argument, several current questions concerning Dural were discussed, and Dr. Bader said he had been told that we are supposed to erect a big plant for the production of Vistra fibre in Wolfen. It was his opinion, however, that the concentration of factories in Wolfen and Bitterfeld was not in accord with the intentions of the government. General Kesselring asked who the persons concerned with the negotiations were. I replied that Dr. Gajewski for IG and, for the other side, Mr. Keppler* were the leading negotiators. I added that, as far as I know, the profitability of the plant would have to be considered primarily, since a peacetime product was involved. The prerequisites for achieving this profitability were far more favorable in Wolfen/Bitterfeld than at other places.

Later on, I discussed the question of the site for Aken plant 2 and of magnesium deliveries to Italy with General Kesselring and Ministerialrat Hoefeld.

(signed) DR. G. PISTOR

Bitterfeld, 7 February 1935

* Wilhelm Keppler was Economic Adviser (Wirtschaftsberater) to Adolf Hitler from 1932 to 1938, and thereafter State Secretary for Special Assignments in the German Foreign Office. He was a defendant in the Ministries case. See vols. XII–XIV, this series.

TRANSLATION OF DOCUMENT NI–4713
PROSECUTION EXHIBIT 546

FIVE FARBEN MEMORANDUMS AND A LETTER FROM KEPPLER TO FARBEN, BETWEEN JANUARY AND NOVEMBER 1935, CONCERNING NEGOTIATIONS OF FARBEN, ARMY ORDNANCE, AND OTHER GOVERNMENTAL AGENCIES ON THE DEVELOPMENT OF SYNTHETIC RUBBER. .

1. *Farben Memorandum on a Visit of Dr. Hagemann, Army Ordnance Office, to Farben's Leverkusen Plant on 10 January 1935*

Memorandum

Subject: Visit of Dr. Hagemann of the Army Ordnance Office to Leverkusen on 10 January 1935

Present from Leverkusen: Dr. Stange (Part-time)
Dr. Stoecklin (Part-time)
Dr. Ludwig

Dr. Hagemann came unexpectedly, in order to get a picture of the status of the rubber production and to be able to report to General Liese about it at the end of the week. Apparently due to a remark made by Director Gehrke of Conti in front of about 20 representatives of the War Ministry, great uncertainty seems to have arisen about the rubber question. Dr. Hagemann will go to Metzler from Leverkusen in order to get information there. General Liese will visit Conti in a few days. Both factories will be urged to speed up the production of tires, so that the Army Ordnance Office may be able to form an opinion on the utility of the synthetic material and thus decide whether natural rubber needs to be stockpiled.

According to Dr. Hagemann, the production of synthetic rubber is no longer a question of foreign exchange, but has become a question of military policy. Although operations are conducted in close contact with Hammesfahr, the requirements of the Wehrmacht will be the decisive factors. Dr. Stange therefore asked that these requirements be stated as clearly as possible, regarding quality, blend, etc. Dr. Hagemann promised to furnish clear-cut particulars and also emphasized that the costs of production and processing were no consideration at the moment. The Army Ordnance Office considers it important that driving tests be made soon on a somewhat larger scale, apart from the Nuernburg tests. Should Metzler consider the problem solved, Hagemann will request about 20 tires from there.

We have also promised to investigate whether a second material (buna—S, made by Conti) can be exported at this time on a larger scale. The matter will be finally discussed during Dr. Hagemann's next visit to Cologne (on 18 or 19 January). Sometime during the middle of the year the Army Ordnance Office will demonstrate for the Fuehrer equipment made of synthetic material. As far as tires are concerned, it is the intention to use artificial fibre combined with synthetic rubber.

Dr. Hagemann will inform us about his impressions gained at Metzler's. At an inspection tour the rubber testing site, the laboratories, and the experimental plants were shown.

Signed: LUDWIG.

2. *Farben Memorandum Mentioning Conferences on 20 February 1935 at the Army Ordnance Office and with Wilhelm Keppler*

SYNTHETIC RUBBER

Conference held in Berlin on 20 February 1935 at 09.00

Present: Ambros
Mueller-Cunradi
Konrad

A conference is to take place at 11.00 hours in the Army Ordnance Office, and at 16.00 the interview with Keppler.

Konrad gives the following information about the cost of a medium-sized tire for an automobile from Conti:

Weight 12 kilograms, about 6 kilograms of which are rubber
Cost price: Mk 18
Sale price: Mk 35 to Mk 40

By using buna–S at the price of Mk 5, for the construction of the complete tire, including tread, the cost price would amount to *Mk 92.*

This impossible figure was defended by Konrad. According to Konrad, *one tire consists of the following material:*

Per 10 kg weight: 5.1 kg crude rubber
1.6 kg fabric
3.3 kg filling material

The filling material consists of: 1.0 kg soot
0.25 kg wire
2.05 kg zinc white etc.

Moreover, Konrad submitted a plan for the testing of tires as it had been discussed with Dr. Hagemann (see enclosure).

[Handwritten note]
Frankfurt/Main, 22 Feb 1935
[Signed] STRUSS.

Conference held at the Army Ordnance Office on 20 February 1935 at 11 a.m.

Present: Major Philipp
Dr. Hagemann
later Major Becht (Raw Materials Procurement Office)

The following IG personnel was present apart from the undersigned:

Mueller-Cunradi
Konrad

Major Philipp explained once more that the Wehrmacht claimed absolute leadership in the synthetic rubber question. He did not, however, reject our opinion that synthetic rubber could also be used for procuring foreign exchange and for peaceful purposes, and that for this reason, we ought to take part in the conference with Keppler. Upon my request, all three gentlemen declared themselves willing to take part in the conference. The opinions of the gentlemen, as they are expressed in the enclosure, were discussed once more. The aim was to have sufficient synthetic rubber to take care of the entire peace requirements of the Army. Exact figures of these requirements were not yet available. The calculation seems to be 150–250 tons per month. There is no hurry about putting into operation the major installation. If no agreement could be reached with Keppler, the Minister (von Blomberg) would build his own factory. We have explained that the wishes of Keppler and those of the Wehrmacht could be complied with in the same factory, even if a somewhat different final product were demanded by the various agencies.

[Handwritten note]
Frankfurt a. Main. 22 February 1935
[Signed] STRUSS

3. Farben Memorandum Concerning A Conference on Synthetic Rubber held at the Reich Chancellery on 19 September 1935

IG Interoffice memorandum Berlin, 20 September 1935

Conference on synthetic rubber held in the Reich Chancellery on 19 September 1935

Present: Keppler, Pleiger
ter Meer, Struss

Ter Meer reports on the status of rubber production in the IG.

The production capacity is at present approximately 20–25 tons of polymerizate; in August the present maximum production capacity of 30 tons was reached. The purchases of the rubber manufacturing plants amount to about 10 tons monthly, so that

the stocks are increasing. At present they are between 40 and 50 tons. In October the butadiene furnace with a capacity of 50 tons per month will start operating, so that beginning November about 50–60 tons of polymerizate per month will be available.

Although the technical foundation has been established for the construction of a major installation based on the 4-phase process, the rubber manufacturing industry is still far behind. Attention is called to the uncertainties arising from the fact that in 2–3 years' time the 2-phase vinylacetylene-butadiene process probably will be replacing the present 4-phase process.

Keppler considers the immediate construction of a major installation necessary. The rapidly progressing motorization of the Army makes it necessary to deal with the problem of synthetic rubber most emphatically. This has been demanded by the Fuehrer as well as by the leading military authorities, von Blomberg and Liese. *Piesteritz* is again named as site in compliance with the demands of the military authorities.

After a long discussion the following procedure is planned:

1. The IG will erect a factory—probably at Piesteritz—with a capacity of 200–250 tons of synthetic rubber per month and designed for expansion to a capacity of 1,000 tons per month.

2. The installation must be made as fast as possible. The construction period, estimated at 1 year, without obligation, will be shortened if possible.

3. The financing of the installation will be made by the IG.

4. Keppler engages himself to negotiate with the military authorities and to obtain a guarantee valid for several years, for purchase to be made at a fixed price.

5. The sale price will be fixed in cooperation with the trustee, [Treuhaender] Dr. Voss. To the cost price is added an amortization amount, making it possible to amortize the installation completely within 3, at the most 5 years; furthermore, a 5 percent interest on the investment and working capital, and finally an appropriate amount for overhead expenses, which is to include compensation for miscellaneous and research expenses.

6. The construction is to be started immediately, as soon as the anticipated purchase guarantees from the military authorities are available.

An agreement is reached regarding the impending negotiations with du Pont concerning the licensing of German patents for mono-vinylacetylene and chloroprene; Keppler shares the opinion that compulsory licensing should be avoided at all costs.

4. Farben Memorandum Concerning a Conference on Synthetic Rubber with the Army Ordnance Office at Farben's Leverkusen Plant on 23 October 1935

[Handwritten note]

Dr. Struss, Tea Buero

Conference with the Army Ordnance Office about Synthetic rubber, held at Leverkusen on 23 October 1935

Present:	Lt. Colonel Philipps	Army Ordnance Office PRW6*
	Dr. Hagemann	
	Dipl. Ing. Exner	
	Director Dr. Stange	Leverkusen Office
	Dr. Ludwig	
	Dr. Konrad	

Lt. Colonel Philipps was making a tour of industrial plants in the Rhineland and on this occasion wanted to become acquainted with our production and testing installations for synthetic rubber at Leverkusen. Dipl. Ing. Exner who specializes in the rubber question under Dr. Hagemann, had been staying at Leverkusen for the last 5 days in order to get information about the technical progress of the buna process.

After it was decided to build a buna plant with a monthly capacity of 200 tons as soon as possible, Stange asked if the Reich Chancellery had approached the Wehrmacht regarding the purchase of the buna production.

Philipps stated the following: The peacetime rubber requirements of the Wehrmacht formerly were overestimated. They amounted to but a fraction of the monthly capacity of 200 tons (about 50 tons monthly). PRW6 has always been of the opinion that it takes time to develop the technique of rubber production which, in the long run, should aim at achieving a special 100 percent buna tire (cross-country tires, giant-size tires, solid rubber tires). Although considerable progress was made during the last year, it would be premature to say that it will be possible to take care of the total synthetic rubber requirements of the Wehrmacht by the time the rubber factory is finished.

[Handwritten marginal initial] M [ter Meer]

Philipps denies that the pressure for the immediate construction of the rubber factory (Date: Party Conference Nuernberg) originates from the Wehrmacht.

[Handwritten marginal note: Correct.]

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* "PRW6," translated as "checking office," is the Motor Transport and Motorization Section of the Army Ordnance Office.

Then Philipps expressed himself unasked on the economic effects of the rubber factory: In view of the fact that only a small part of the future production can be used by the Wehrmacht in peacetime, and as other authorities, too (railway or postal), cannot completely take over the remaining quantity, the only thing left to do will be disposal in the open market. As the rubber goods made of buna naturally are more expensive, Philipps is of the opinion that certain Reich offices (such as the Price Commissioner, Schacht) will not readily agree to an increase in the price of essential rubber goods. After his return to Berlin Philipps will immediately arrange a conference on these questions with the Reich Chancellery. As he declines a discussion with Pleiger, he will arrange a meeting between General Liese and Keppler. Incidentally, Pleiger is said to have been rejected as a negotiation partner by various enterprises.

We indicated briefly that recently, on account of the overcrowding of the Piesteritz district, which has taken place in the meantime, other sites for the rubber factory are being taken into consideration.

This will not cause any serious delay in the completion of the factory. [Handwritten marginal note: none at all]. The danger remains that we shall be reproached from another side for dragging things out. We considered it important to emphasize that the utmost would be done on the part of the IG and that till now the program has been followed according to schedule. This was also fully appreciated by the gentlemen of the Army Ordnance Office.

[Signed] KONRAD

5. Letter from Keppler to Dr. Struss, Chief of the Office of Farben's Technical Committee, 12 November 1935, Concerning the Erection of a Synthetic Rubber Factory

Reich Chancellery
W. Keppler
The Plenipotentiary for Economic Questions

Berlin W. 8, 12 November 1935
Wilhelmstrasse 78

[Stamp]

To: Dr. Struss

TEA BUERO [Office of the Technical Committee]
Dept. A
Received 13 Nov. 1935

I.G. Farbenindustrie A. G., Frankfurt a.M. 20

Dear Dr. Struss,

You must be surprised that for so long I have not referred to our negotiations concerning the erection of a factory for synthetic rubber. There were, however, difficulties in carrying on the negotiations, because the purchase guarantee, which the Reich War Ministry was prepared to give, covered too small a quantity. Thereupon, the first point discussed was the question of how to assure consumption through appropriate regulations of the Ministry of Economics and/or the Supervisory Office [Ueberwachungsstelle]. This way finally did not seem advisable to me either, because it is difficult to issue such regulations at present with a sufficiently long time limit necessary for your purpose. Therefore I spoke to the Fuehrer himself about this question and later I discussed it with the Reich Minister of Finance, from whom I have received the enclosed commentary today.* I assume that this solution will give you the necessary guarantee for the construction of the works. The necessity of borrowing 6 millions from the Ministry of Finance will not arise as the bulk of production undoubtedly can be disposed of in the rubber industry. Besides one must be optimistic in this matter. I hope that the quality will continue to improve, and that the consumption by the Reichswehr and the other authorities will consequently increase.

May I ask you to inform me of your general approval of the suggestions made by the Reich Minister of Finance in his letter in order that we may start the drafting of an agreement.

As you know, the Fuehrer is greatly interested in speeding up the construction of the installation as much as possible. I therefore ask you to carry on with your planning work as before and to start building as soon as an agreement between us concerning the main questions has been reached. This is also in accordance with the suggestion of your Dr. ter Meer. May I also ask you to inform me about the quantity and the composition of the waste gas which will result from the anticipated rubber production of 200 tons, and what utilization you have intended for this gas.

Heil Hitler!

[Signed] KEPPLER.

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* Letter mentioned by Keppler from Reich Minister of Finance was not a part of this exhibit.

3. TESTIMONY OF DEFENDANT TER MEER

EXTRACT FROM THE TESTIMONY OF DEFENDANT TER MEER

DIRECT EXAMINATION

* * * * * * *

DR. BORNEMANN (counsel for defendant ter Meer): I am now turning to two documents which have been submitted by the prosecution. We are concerned with two reports from the Reich Ministry of Economics about the status of work with respect to an economic mobilization at the end of September 1934 and the end of December 1937. These are Document EC–128, Prosecution Exhibit 716, and Document EC–258, Prosecution Exhibit 719.* They can be found in book 38, English page 84, and in book 39, English page 10. Do you have these documents before you?

DEFENDANT TER MEER: No, I have not.

(Documents handed to witness.)

Q. We are concerned with two very extensive documents which give in detail the status of the economic mobilization at the end of 1934 and at the end of 1937. The prosecution maintains that these reports emanated from Schacht. Can you tell me anything about that?

A. Yes, as I am just seeing now, one of these reports bears no signature at all; the second has the signature of Wohlthat.

Q. Who was he?

A. Wohlthat was an official in the Reich Ministry of Economics. So far as I know, he was the one who dealt with the economic planning about which we were speaking before. But I cannot tell you anything about him; I do not know him.

Q. Can you tell me whether these reports bear any notations as to secrecy?

A. Yes, one report is "Top Secret Military Matters" [Geheime Kommandosache], and the other report is "Top Secret Government Matters" [Geheime Reichssache].

Q. Can you tell me how many copies of these reports were available?

A. There were 10 copies of 716; and 719—there is no notation—

Q. There is no notation to be seen on 719. Is that "Top Secret Government Matters"?

A. Yes.

Q. Dr. ter Meer, under these circumstances, do you think it pos-

* Extracts of Prosecution Exhibit 716 are reproduced above in subsection E 2. Prosecution Exhibit 719 is not reproduced herein. It was a secret report entitled "The Preparation of Economic Mobilization by the Plenipotentiary General for War Economy. Status at the end of December 1937."

sible that these two documents at any time came to the knowledge of I.G. Farben, or one of the members of the Vorstand, before they were submitted here during the trial?

A. No, I think that is entirely out of the question. I have read these reports in the document books of the prosecution with great interest, because these reports gave me information about events which occurred at the time, and about measures which were ordered, but I did not know exactly which authorities had ordered them. The report of September 1934, especially, shows exactly what was being planned and what was being executed at the time. For instance, the commissioning of the Reich Statistical Office to carry out statistical investigations; the appointments of the Reich Commissioners; the creation of regional offices of the Reich Ministry of Economics at the government supervisory offices [Regierungspraesidien], and various other organizational measures which were at that time already being guided by the Reich Ministry of Economics.

Q. Which you, however, did not know as an existing plan?

A. No, I did not.

* * * * * * *

F. The Four Year Plan

1. INTRODUCTION

Count one of the indictment, under the major subdivision "C. Farben Participated in Preparing the Four Year Plan and in Directing the Economic Mobilization of Germany for War," charged Farben and its leaders with major participation in the fulfillment of Germany's Four Year Plan and in making Germany "ready for war in four years" (pars. 25–36). The greater part of the evidence bearing directly on these charges has been grouped under two main subsections. The evidence in the present subsection deals with the Four Year Plan in general; the next major subsection, "G. The Krauch Office. The Karinhall or Krauch Plan and Its Modifications," deals more particularly with the relation of the Krauch Office and Farben to the execution of important parts of the Four Year Plan and with related developments. Some of the evidence in still later subsections necessarily overlaps the materials which follow next.

This subsection is principally made up of contemporaneous documents submitted by the prosecution (2 below). Numerous references to the Four Year Plan will be found in testimony of defendants reproduced in later subsections. At this point short extracts from testimony of the defendant Krauch and defense

witness Kuepper are reproduced. The Krauch testimony (3 below) shows Krauch's denial of any knowledge of Hitler's secret memorandum on the purposes of the Four Year Plan, and Kuepper's testimony (4 below) deals with Goering's speech to industrialists, including defendant von Schnitzler, at the Preussenhaus in December 1936. This was the speech on the Four Year Plan when Goering stated: "We are already on the threshold of mobilization and are at war, only the guns are not yet being fired."

2. CONTEMPORANEOUS DOCUMENTS

PARTIAL TRANSLATION OF DOCUMENT NI–4955 PROSECUTION EXHIBIT 411

EXTRACTS FROM HITLER'S MEMORANDUM CONCERNING THE FOUR YEAR PLAN, 1936*

The Political Situation

Politics is the leadership and the course of the historical struggle for life of the nation. The aim of these struggles is the maintenance of existence.

* * * * * * *

Germany

Germany will have to be regarded, as it always was, as the focus of the occidental world against the bolshevistic attacks. I

* This document was introduced as Prosecution Exhibit 939 in the Ministries case and is reproduced in full in section VI B, volume XII, this series. This memorandum was first offered in evidence in the Nuernberg Trials before the International Military Tribunal as Schacht Defense Exhibit 48. Attached to the memorandum as introduced, there was an explanatory memorandum of Schacht's codefendant, Albert Speer, dated 22 August 1945, which stated:

"This memorandum was given personally to me by A. H. [Adolf Hitler] in 1944, with the following statement:

"The lack of understanding of the Reich Ministry of Economics and the opposition of German business [Deutsche Wirtschaft] against all large-scale plans induced him to elaborate this memorandum at Obersalzberg.

"He decided at that time to carry out a Four Year Plan and to put Goering in charge of it. On the occasion of Goering's appointment as the official in charge of the Four Year Plan he gave him this memorandum. There are only three copies, one of which he gave to me.

"Goering was appointed (through decree in the Reich Law Gazette) as the official in charge of the Four Year Plan, 18 October 1936, so that the memorandum might have been originated in August 1936, approximately.

"My secretaries, Edith Nagiera and Annemarie Kempf, made this transcript in my office for my archives in Nuernberg."

From the minutes of the meeting on 4 September 1936 of the Ministerial Council under the chairmanship of Goering (*EC–416, Pros. Ex. 412*, reproduced later in this subsection), at which this memorandum was read by Goering, it is clear that another copy of this memorandum was originally given by Hitler to the then Reich Minister of War, General von Blomberg. This document is discussed in the testimony of defendant Krauch reproduced below in subsection F 3.

do not consider this as a joyous mission but unfortunately as a severe difficulty and burden upon our national life, resulting from our disadvantageous position in Europe. But we cannot avoid this destiny. Our political position results from the following:

Presently there are only two nations in Europe which can be regarded as being firm against bolshevism—Germany and Italy. The other nations are either disintegrated by their democratic way of living, infected by marxism and, therefore, designed to collapse within the discernible future, or ruled by authoritarian governments, the only strength of which are the military means of power, which means that due to the necessity of protecting the existence of their leadership against their own people by the forcible measures of the executive power, they are unable to utilize these forcible measures outwards for the protection of the nation. All these nations would be unable at any time to wage a war against Russia with any prospect of success.

Generally, besides Germany and Italy, only Japan can be considered as a power resisting the world peril.

It is not the aim of this memorandum to prophesy the moment at which the untenable situation in Europe will reach the stage of open war.

I only want to express in these lines my conviction that this crisis cannot and will not fail to come, and that Germany has the duty of securing her existence against this catastrophe, at all cost and to protect herself from it and that this obligation gives rise to a series of consequences concerning the most important tasks ever imposed upon our nation.

* * * * * * *

The extent and the pace of the military utilization [Auswertung] of our strength cannot be too large or too rapid.

* * * * * * *

Germany's Economic Situation

Just as the political movement in our nation has only one goal, the preservation of our existence, that is, the securing of all spiritual and other prerequisites for the self-maintenance of our nation, so the economy has also only this identical goal. The nation does not live for the economy or for the leaders of the economy, for the economic or financial theories; but finance and economy, the leaders of the economy, and all theories have to serve exclusively this struggle for the maintenance of our nation. But Germany's economic situation—briefly summarized—is the following:

1. We are overpopulated and our country does not yield the food we need.

* * * * * * *

5. It is, however, of no importance to state these facts again and again, that is, to state that we need food or raw materials; what is decisive is to take these measures which can bring a *final* solution for the *future* and a temporary easing-up of conditions during the transition period.

6. The definitive solution lies in an extension of our living space, that is, an extension of the raw materials and food basis of our nation. It is the task of the political leadership to solve this question at some future time.

7. The temporary easing-up of conditions can be found only within our present economy.

* * * * * * *

It is not enough to establish from time to time a raw material or a foreign currency balance, or to speak of a preparation of the war economy during peacetime, but it is necessary to provide all those means for peacetime food supply and above all for warfare, which can be secured through human energy and activity. Consequently I draw up the following program for a final solution of our vital necessities:

(1) Parallel with the military and political armament and mobilization of our nation must occur the economic one and this at the same speed, with the same determination and if necessary with the same ruthlessness. In the future the interests of individual gentlemen cannot play any part. There is only one interest, and that is the interest of the nation, and only one conception, which is that Germany must be brought politically and economically to the point of self-sufficiency.

(2) For this purpose, foreign currency must be saved in all those fields where needs can be satisfied by German production, in order that it may be used for those necessities which under all circumstances can be fulfilled only by imports.

(3) In this sense, the German fuel production must now be developed with the utmost speed and brought to definitive completion within 18 months. This task must be handled and executed with the same determination as the waging of a war, since on its solution depends the future conduct of the war and not on a stocking-up of gasoline.

(4) The mass production of synthetic rubber must also be organized and secured with the same speed. The affirmation that the procedures might not be quite determined and similar excuses must not be heard from now on. The question under dis-

cussion is not whether we wait any longer, otherwise the time will be lost, and the hour of danger will take all of us unaware. Above all, it is not the task of the governmental economic institutions to rack their brains over production methods. This matter does not concern the Ministry of Economics at all. Either we have a private economy today, then it is its task to rack its brains about production methods, or we believe that the determination of the production methods is the task of the government; then we do not need the private economy any longer.

(5) The question of production costs of these raw materials is also of no importance, since it is still more profitable for us to produce expensive tires in Germany and utilize them, than to sell theoretically cheap tires, but for which the Minister of Economics cannot grant any foreign currency, which therefore cannot be produced because of the shortage of raw materials and consequently cannot be utilized. If indeed we are obliged to build up an internal economy in the autarchic sense—and we are obliged to do it since the problem will certainly not be resolved through lamentations and the recognition of our needs for foreign currency—then the price of raw materials, individually considered, does not any longer play a decisive part. Furthermore, it is necessary to increase the German iron production to its utmost limits. The objection, that we are not able to produce a similarly cheap raw iron with the German ore which contains 26 percent of iron, as with the Swedish ores containing 45 percent if iron, etc., is of no importance, since we were not asked what we would prefer to do, but what we can do. The objection that in this case all German blast-furnaces will have to be transformed is also unimportant and above all it does not concern the Ministry of Economics. The Ministry of Economics has only to set the tasks of the national economy; the private industry has to fulfill them. But if the private industry considers itself unable to do this, then the National Socialist State will know by itself how to resolve the problem. Besides, during 1,000 years Germany did not have any foreign iron ores. Even before the war, more German iron ores have been processed than during the time of our worst decline. *Nevertheless, if we still have the possibility of importing cheaper ores, then it is all right. The existence of the national economy and especially of the conduct of war must not depend on this.*

It is, furthermore, necessary to prohibit the distillation of potatoes into alcohol. The fuel must be gained from the earth and not from potatoes. Instead of this we have the duty to utilize any possible free farm area for the purpose of feeding humans or animals or for the cultivation of fibrous materials. Furthermore,

it is necessary to make the supply of *industrial* fats independent of the imports within the shortest time and to meet it with our coal. This problem is resolved chemically and is actually crying for its solution. A German business will understand the new economic tasks or it will show itself unable to exist any longer in this modern time during which the Soviet State builds up a gigantic plan. *But then not Germany will be ruined, but only some producers.* It is furthermore necessary to increase the extraction of other ores, *without considering the cost,* and specially to increase the production of light metals to its utmost limit, in order to find a substitute material for certain other metals.

Finally, it is also necessary for the armament to utilize, if possible already at this time, those materials which will have to be and will be used in case of war instead of precious metals. *It is better to think over and resolve those problems during peacetime, than to wait for the next war, and to undertake only then, within the framework of the numerous tasks, those economic investigations and methodical experiments.*

In short: I deem it necessary that now, with iron determination a 100 percent self-sufficiency be attained in all those fields where it is possible and that in this manner not only the national supply with these most important raw materials will become independent from foreign countries, but that thereby the foreign exchange will be saved which we need in peacetime for the import of our food. *I want to emphasize in this connection that I see in these tasks the possible economic mobilization there is, and not in a limitation of armament industries in peacetime for the purpose of saving and accumulating raw materials for war.* In addition, however, I deem it necessary to conduct at once a reexamination of the outstanding foreign exchange claims of German industry abroad. There is no doubt that the outstanding claims of our industry today are quite enormous. And there is also no doubt that this is to conceal partly the abominable intention to own for all eventualities certain reserves abroad which are thereby removed from internal seizure. I see in it a deliberate sabotage of national preservation or the defense of the Reich, respectively, and I therefore deem necessary the passing of two laws by the Reichstag:!

a. A law providing capital punishment for industrial sabotage and,

b. a law making Jewry in its entirety answerable for damage done to German industry and thereby to the German nation by individual members of this criminal group.

The only fulfillment of these tasks in the form of a several years' plan, making our national economy independent of foreign

countries, will make it possible to demand sacrifices of the German nation in the field of industry and food. For then the nation has a right to demand of its leadership, to which it gives blind recognition, that it tackle these problems also in this field with unheard of and resolute work and does not only talk about them, that it solves them and does not only register them.

Almost four precious years have passed now. There is no doubt that we could be completely independent of foreign countries in the field of fuel, crude rubber, and partly also iron ore supplies. Just as we produce 700,000 or 800,000 tons of gasoline at the present time we could be producing 3 million tons. Just as we produce several thousand tons of rubber we could already be producing 70,000 or 80,000 tons per year. Just as we increased our iron ore production from 2½ million tons to 7 million tons we could process 20 or 25 million tons of German iron ore, and if necessary, also 30 millions. One has had enough time now to find out what we cannot do. It is now necessary to carry out what we are able to do.

I herewith set the following tasks;

I. The German Armed Forces must be ready for combat within four years.

II. The German economy must be mobilized for war within four years.

PARTIAL TRANSLATION OF DOCUMENT 2353-PS[1] PROSECUTION EXHIBIT 443

EXTRACTS FROM THE MANUSCRIPT OF GENERAL THOMAS[2] ENTITLED "BASIC FACTS FOR A HISTORY OF THE GERMAN WAR AND ARMAMENTS ECONOMY" CONCERNING EARLY DEVELOPMENTS OF MILITARY ECONOMY AND THE FOUR YEAR PLAN

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In the initial stages of rearmament, the raw material requirements for the supply of the branches of the Wehrmacht could be fully satisfied. It soon became clear, however, that the necessity of giving an initial impulse to industry and the completion of the various big government projects connected with that necessity demanded so great a quantity of raw materials that the raw material requirements of the Wehrmacht could no longer be fully covered. Therefore, the Military Economics Staff [Wehrwirtschaftsstab] started on an exact calculation of the raw material requirements for the supply program and undertook, in collaboration with the Reich Ministry of Economics, the calculation of raw material deliveries which could be made each year. Both results were arranged in easily understandable charts and submitted regularly to the inner government circle. During this work which proved of great importance for the progress of armaments it was soon realized that the supply of raw materials would have to be rationed, and also that extensive measures would have to be taken to ensure a wider basis for the supply of raw materials.

The quota system for raw materials proved completely satisfactory during the first years of rearmament, and it only became necessary to change it in wartime, because on account of new Fuehrer orders and increasing demands, the branches of the

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[1] This document was introduced in the IMT trial as Prosecution Exhibit 035—USA. Extracts, in the German text, appear in Trial of the Major War Criminals, volume XXX. The document also was introduced in the Ministries case as Prosecution Exhibit 941, and a part of this extract, in addition to further extracts, is reproduced in section VI, volume XII, this series.

[2] General Georg Thomas was Chief of the Military Economics Staff (Wehrwirtschaftsstab) of the High Command of the Wehrmacht from 1934 until 1939; from 1939 until February 1943 he was Chief of the Military Economics and Armaments Office of the High Command of the Wehrmacht. General Thomas died in 1946. On 13 November 1945, he executed an affidavit concerning the manuscript partly reproduced herein, in which he stated, "The factual observations and information contained in my manuscript are accurate to my best knowledge and belief. They are based on the official files and on my personal files resulting from my official activity. The pencil notes and corrections in the original manuscript were written by me. My remarks regarding the war, the Nazi Party, and the Nazi personalities do not correspond to the facts. They were inserted after 20 July 1944, to exonerate myself in the eyes of the Gestapo. The purpose of the book was to describe the role and the contribution of the Military Economics and Armaments Office during the time of rearmament and during the war."

Wehrmacht could not manage on the raw material quotas allotted to them, and therefore, on their own account, considerably overdrew their raw material quotas. But it can be stated here that the Military Economics Staff succeeded in directing the Wehrmacht projects efficiently during the rearmament period. However, it had to struggle hard for years with the Reich Ministry of Economics because of the inadequate raw material allocations to the Wehrmacht and the large raw material consumption by the rest of the industry. Details will be given in the description of the various war years.

The execution of the production programs of the various Wehrmacht branches, i.e., the development of industrial plants for increased production in the event of mobilization [Mob-Fall], also had to be directed and controlled by the Military Economics Staff, because here, too, considerable overlapping occurred. It was particularly the development of factories for preliminary and semifinished products (which were of importance for all three branches of the Wehrmacht) and of raw material plants which necessitated clearly defined directions. In close collaboration with the Four Year Plan, the Four Year Plan [sic] carried out a notable amount of constructive work. On the whole, the work was distributed as follows: The Military Economics Staff ascertained the requirements of the Wehrmacht branches for their mobilization programs, consolidated them, and calculated the corresponding figures in terms of raw material requirements; then, working on the basis of the existing sources of supply, it formulated further requests for the enlargement of raw material bases. The actual development work was then done by the Four Year Plan on the basis of military needs, while the military economic organization, on its part, had to coordinate the requests arising from the building program of the Four Year Plan with the procurement programs of the Wehrmacht branches. Special mention must be made, in this connection, of the broadly conceived development of the bases for fuel production, the gunpowder and explosives program, the increase in the production of light metals, the reestablishment of synthetic rubber production, the exploitation of iron ore deposits in the Harz Mountains, the processing of ores with low iron content, the increase of cellulose fiber production, and the utilization of synthetic materials. In the interest of historical truth, however, it must be mentioned here that, since 1930, all these projects had been requested by the former Economics Staff of the Army Ordnance Office, but that they could be effected only to a very limited extent because the necessary means were not made available by the government. Not until Goering, then Field Marshal, was commis-

sioned on 18 October 1936 to carry through the second Four Year Plan, was the broadening of the raw material bases begun on as generous a scale as demanded by the Wehrmacht.

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XII. *Cooperation with the Four Year Plan*

The formulation of a Several Years Plan had first been suggested, as early as the winter of 1933–34, by the former Chief of Staff of the Army Ordnance Office, Lt. Col. Thomas who, in a memorandum to the Reich Minister of War, explained the reasons for the indispensability of planning in all armament matters, and proposed the formulation of a Five Year Plan—

a. To carry out the requirement projects of the three Wehrmacht branches within the rearmament plan.

b. To build up systematically food and raw material production as the foundation for the defense of the Reich.

(Unfortunately, this memorandum can no longer be found.) The memorandum had been submitted, at that time, to the Fuehrer by the Reich Minister for War.

The next incentive to plan defense measures systematically came in 1935 as a result of the development of the raw material and foreign exchange situation. The precarious food situation in Germany had necessitated the spending of a considerable amount of foreign currency in 1934–35 in order to make up the great deficiencies in food supplies for the German people. This loss of foreign exchange was bound to seriously aggravate the over-all economic situation in the long run and thereby also hamper the process of rearming. When, in March 1936, the Minister for Food again approached the Minister for Economics with far-reaching demands for foreign exchange, the latter, in a sharply worded letter, refused to make available further amounts of foreign currency, and demanded a thorough investigation of the entire situation as to foreign exchange, raw materials, and food supplies, by a person delegated to this task by the Fuehrer. (For copy of the letter to the Reich Minister of Food, see app. XII, 1.)* In April, following a conference of Ministers (for report, see app. XII, 2), the Fuehrer ordered the Minister President of Prussia, Goering, to investigate, and to take all measures necessary for the improvement of the raw materials and foreign exchange situation. As a working basis for this project, Reich Minister Dr. Schacht, on 23 April submitted a memorandum on the present status of the raw materials and foreign exchange situation. (See app. XII, 3.)

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* None of the appendixes mentioned herein is reproduced in this volume.

Acting upon this order of the Fuehrer, General Goering announced his plan for accomplishing this task at a conference of Ministers (App. XII, 4) and ordered the formation of a Staff for Raw Materials and Foreign Exchange, which started work in early May 1936. Lt. Col. Loeb was appointed Chief of Staff, and Minister President Goering asked the OKW to delegate Colonel Thomas for this task. (See app. XII, 5.)

It was the Staff for Raw Materials and Foreign Currency which laid the foundations for the subsequent work of the Four Year Plan.

The planning ordered by Minister President Goering was concerned primarily with procuring foreign currency for financing rearmament as well as with clarifying the raw materials situation in order to safeguard the progress of armament production. The main problem for both tasks was the procurement of further amounts of foreign currency. There were considerable differences of opinion about the method to be employed to this end between the Minister President and [Reichsbank] President Dr. Schacht. (A report of the conference of Ministers of 12 May 1936 on this question is attached as app. XII, 6.) These conferences led to the conclusion that exports had to be increased considerably in order to make further amounts of foreign currency available for the purchase of raw materials, and that the Reich Minister of Food had to be forced to secure the food for the German people without using, as up to the present, considerable amounts of foreign currency.

The Military Economics Staff most energetically supported the efforts for the increase of exports, in opposition to the opinion of the Wehrmacht branches, perceiving clearly that increased exports were necessary, even if the smooth progress of armament production were disturbed thereby in some respects for a short time.

The cooperation with the Staff for Raw Materials and Foreign Exchange was arranged by the Military Economics Staff in such a manner that the latter determined the quantities and the kind of raw materials lacking, and the Staff for Raw Materials and Foreign Exchange undertook the task of taking the necessary steps for their procurement.

When it became increasingly clear that great gaps existed in the supply of foodstuffs and raw materials and that to an ever greater extent this constituted a danger in case of war, the Fuehrer took the decisive step of proclaiming the Four Year Plan

at the Reich Party Rally, 1936. By decree of 18 October 1936,* Minister President Goering was entrusted with the execution of the Four Year Plan, charged with the uniform direction of all the efforts of the German people, and authorized to effect the strict centralization of all Party and State agencies. An important part of the economic preparations for war was started by this action.

The work of the Four Year Plan fell mainly within four spheres:

a. Controlling German foreign exchange transactions.

b. Directing the measures for attaining self-sufficiency with regard to food.

c. Taking the steps necessary to improve our raw materials situation.

d. Directing the employment of labor for armament production, and other public projects.

Minister President Goering defined these duties in a meeting of the Small Ministerial Council [of the Four Year Plan] on 21 October. (See app., Memorandum XII, 7.)

The great significance of the work of the Four Year Plan for armaments production led to close collaboration between the departments of the Four Year Plan and the WStb. The scope of the problems to be solved was increasing steadily so that soon an Office for German Raw Materials and Synthetics under the direction of Colonel Loeb, was built up from the Staff for Raw Materials and Foreign Exchange, and encompassed the following departments:

Department—Over-all Planning and Statistics.
Chief: Major Dr. Czimatis.

Department—Mineral Oils.
Chief: Major von Heemskerck.

Department—Research and Development.
Chief: Dr. Krauch.

Department—Finance.
Chief: President Lange.

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* This decree was introduced in evidence as Document WIR–10, General Defense Exhibit 201. The second decree on the execution of the Four Year Plan was introduced as Document WIR–11 General Defense Exhibit 202. The second decree stated: "Whoever violates the orders and prohibitions of these directives [Goering's directives for the execution of the Four Year Plan] will be punished with imprisonment and fine, the latter in an unlimited amount, or with one or the other of these penalties." Neither decree is reproduced herein.

And the main special sections [Hauptreferate]—

Iron and Metals ---------- under Mr. Pleiger.
Textiles ---------- under Mr. Kehrl.
Lumber ---------- under Forestry Commissioner [Forstmeister] von Homloy.
Chemistry and Rubber ---------- under Dr. Eckell[1].
Gunpowders and Explosives ---------- under Major Wimmer.

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PARTIAL TRANSLATION OF DOCUMENT NI-5380[2] PROSECUTION EXHIBIT 400

EXTRACTS FROM THE MINUTES OF THE MEETING ON 26 MAY 1936 OF THE ADVISORY COMMITTEE ON RAW MATERIAL QUESTIONS UNDER THE CHAIRMANSHIP OF GOERING, ATTENDED BY DEFENDANT SCHMITZ, AMONG OTHERS

Top Secret

Record of the Meeting of the Advisory Committee on Raw Material Questions on 26 May 1936, at 4 o'clock

40 copies, 14th copy

Chairman: Minister President, General Goering
President of the Reichsbank and Acting Reich and Prussian Minister of Economics, Dr. Schacht
Reich Minister of Finance, Count Schwerin von Krosigk
Prussian Minister of Finance, Professor Dr. Popitz
Keitel, Major General, Chief of the Office of the Armed Forces [Wehrmachtsamt] in the Reich War Ministry
Koerner, State Secretary in the Prussian State Ministry
Keppler, Economic Adviser to the Fuehrer and Reich Chancellor
Koch, Oberpraesident, Gauleiter
Kroogmann, Presiding Mayor, Hamburg
Loeb, Lieutenant Colonel of the General Staff
Neumann, State Councillor [Staatsrat], Ministerialdirektor in the Prussian State Ministry
Dr. Sarnow, Ministerialdirektor in the Reich Ministry of Economics
Schlattmann, Chief Superintendent of Mines, Ministerialdirektor in the Reich Ministry of Economics
Brinkmann, Member of Reichsbank Directorate
Blessing, Member of Reichsbank Directorate

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[1] Dr. Johannes Eckell was a research employee in Farben's Ludwigshafen plant until 1935, when he became an official of Farben's Liaison Office Wehrmacht (Vermittlungsstelle W) in Berlin. In 1936, he became an official of the Raw Materials and Foreign Exchange Staff and later an official in the so-called "Krauch Office."

[2] This document was introduced as Prosecution Exhibit 945 in the Ministries case, and further extracts from this document appear in section VI B, volume XII, this series.

Herbert L. W. Goering, Generalreferent in the Reich Ministry of Economics
Dr. Trendelenburg, State Secretary, i.e.R. [in temporary retirement]
Fritz Thyssen, State Councillor
Schmitz, Geheimrat [defendant], I.G. Farben A.G.
Dr. Sogemeier, [Berlin representative of Economic Chambers of Duesseldorf, Westphalia and Lippe]
Dr. Springorum, Generaldirektor, Gebr. Hoesch [Bros.], Dortmund
Voegler, Generaldirektor, Vereinigte Stahlwerke A.G. [United Steel Works]
Flick,* Generaldirektor Mitteldeutsche Stahlwerke A.G. [Central German Steel Works]
Oskar Henschel [Generaldirektor, Henschel Aircraft and Locomotive Concern]
Dr. Beutner [Member of Aufsichtsrat of Allgemeine Elektricitaetsgesellschaft (AEG)—General Electricity Corporation of Berlin, 1940]
Lange, Director, Economic Group for Machinery Construction
Prof. Wagemann, Institute for Research on Economic Cycles
Ruelberg, Ministerialdirigent in the Reich Ministry of Economics
Josten, Ministerialrat in the Reich Ministry of Economics
Dr. Ungewitter, Economic Group Chemical Industry
Mundt, Oberregierungsrat in the Reich Ministry of Finance
Pleiger, Keppler Office
Kehrl, Keppler Office
Czimatis, Major, Reich Ministry of War and Office for Raw Materials and Foreign Exchange

Beginning of the conference at 16:13 hrs.

Minister President Goering: Thanks everybody for appearing. Since export matters were discussed in the last meeting, a survey of the raw materials situation will be given this time. Sworn stenographers have been employed in order to provide all the gentlemen with transcripts.

Cooperation requested in this way, that if gentlemen do not want to speak at once, they will submit their ideas and experiences briefly in writing.

The chief purpose is the connection with actual practice. He emphasizes that the whole meeting is strictly confidential, and that everything—above all, the figures given—will be treated as a state secret. The participants are responsible that any notes do not get into the wrong hands.

* Friedrich Flick, head of the Flick enterprises, and a defendant in the Flick case (vol. VI, this series).

Ministerialdirigent Ruelberg states that the stocks of raw material shrank to 1–2 months while they were sufficient for 5–6 months in the beginning of 1934. The use of raw materials can be explained first by the revival of industry since 1933, and secondly by the sharp increase in armament.

	Quantity in millions of tons		Value in billions of RM	
	1932	*1935*	*1932*	*1935*
Total imports	33	47	4.6	4.16
Imports:				
Industrial, raw and semi-processed materials	22	40	1.7	2.1

In the spring of 1934, planned management was begun in order to equalize raw material stocks and raw material deficiencies in some places.

The new plan of September 1934 to place all imports under supervision brought an increase of the importation of industrial raw materials of vital importance, with a decrease in the importation of manufactured goods.

The domestic raw material situation was improved by the activity of the newly organized supervisory offices [Ueberwachungsstellen], by collecting waste material, increasing home production, and by importing rationed materials and scarce metals. The raw materials available to us only through imports are classified according to import statistics as follows:

1. Textiles.
2. Nonferrous Metals.
3. Iron and Steel.
4. Cellulose.
5. Hides and Furs.
6. Mineral Oils.
7. Rubber.
8. The industrial fat supply.*

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COPPER

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By an early control of consumption and by using substitute

* The next twenty pages of the record of the conference show that a detailed discussion took place on each of the following subjects: cotton, wool, cellulose fiber, rayon, hemp, flax and flax-tow, jute, metals (including copper, lead, zinc, tin, nickel, and aluminum), the iron and steel industry, manganese, scrap, cellulose, petroleum, rubber, industrial fats, soaps, lacquers, paints, linoleum, and glycerin. Herein are reproduced only a few extracts from the entire document which were specifically mentioned in the indictment or otherwise had special importance in the case.

materials, such as aluminum and zinc, the domestic demand was reduced, but the savings were used up by the Wehrmacht and for export (for which substitutes could not be used).

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LEAD

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Though domestic consumption was reduced by means of control, this was offset by an increased consumption due to the needs of the Wehrmacht.

* * * * * * *

TIN

* * * * * * *

Domestic consumption is restricted by regulations, but this is offset by Wehrmacht requirements.

* * * * * * *

NICKEL

* * * * * * *

The increase in consumption, in spite of control, is due to Wehrmacht requirements.

* * * * * * *

ALUMINUM

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A further increase [in production] is expected. Because of prevailing restrictions, aluminum and its alloys are being used to an increasing degree instead of scarce metals, in particular, copper, zinc, and brass.

* * * * * * *

MANGANESE

Inventory as of	1 April 1934	1.4 million tons
	1 April 1936	1.2 million tons

The slight drop [in consumption] is due to the greatly increased activity in collecting scrap metal and the increasing use of crude iron for open-hearth furnaces. These stocks will last 1.4 months. With respect to the *alloy ores* (manganese and chrome ores) the available stocks will be sufficient for 3–4 months. As regards tungsten, molybdenum, and palladium ores for high alloy steel, there is less than one month's supply in stock.

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The great increase in the domestic production [of light motor fuels] was achieved in spite of a considerable rise in consumption due to motorization and aviation requirements. It should be emphasized that the domestic production of high-grade gasoline and heavy gasoline after January 1937 will presumably meet all domestic requirements.

* * * * * * *

Ministerialdirigent Ruelberg believes that an increase [of Diesel oil] can be chiefly obtained by converting to the Fischer-Tropsch process. This process normally yields a certain amount of gas oil, most of which has been converted into gasoline by cracking, because this is financially more profitable. The process can be conducted in such a way as to yield considerably larger quantities of gas oil. A greater amount of gas oil would be produced by building such installations and reconverting present ones. But this is far from being enough. Things would be made substantially easier if—as already mentioned—the Uhde and the Pott processes, respectively, were developed more. Installations with an annual capacity of 30,000 tons are to be built for both processes. There is a possibility, which experiments have confirmed, that a Diesel oil suitable for use could be produced by combining the products of the Fischer-Tropsch, Uhde, and Pott processes.

Minister President Goering: Finds that Ministerialdirektor Ruelberg also considers it possible to increase domestic Diesel oil production. He draws attention to the fact that in time there will be in aviation, too, a steadily increasing conversion from light gasoline to Diesel oil. Importance must be attached to the greater increase of domestic Diesel oil production. As soon as the process has been perfected, it will only be a question of constructing the necessary installations. The basic material is available in unlimited quantities.

Chief Superintendent of Mines Schlattmann: So far lignite heavy oil has been used to a considerable extent for hydrogenation. Heavy oil production was increased this year to 8,000 tons. This heavy oil heretofore was, up to certain amounts, cracked for Diesel oil and gasoline production. Tests have shown that lignite heavy oils, if slightly refined, may be used in Diesel motors, to a great extent. It must be pointed out that the present hydrogenation plants, constructed for processing tar, will have to be converted to brown coal. Procedure in this respect has now been concluded by I.G. Farben.

Minister President Goering: Complete cessation of oil imports is to be reckoned with, therefore, home production must be prepared for this eventuality.

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Chief Superintendent of Mines Schlattmann: Stresses that today very much oil is still being thrown away. He raises the point that the quality of the lubricating oil production can be improved considerably by recently acquired knowledge of American processes for refining oils. The Leuna production has been concentrated more on German oils. Similarly, the Hamburg firms have been induced to use German oils in order to have suitable machinery for German oil on hand in the A-case. Meanwhile the main supply must be provided by synthetic production. Synthetic oils have proved themselves to be of equally good quality as foreign oils.

Minister President Goering: Emphasizes that in the A-case we would not, under certain circumstances, get a drop of oil from abroad. With the thorough motorization of army and navy, the whole problem of conducting a war depends on this. All preparations must be made for the A-case so that the supply of the wartime army is safeguarded.

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Minister President Goering: Inquires what kind of program for synthetic rubber production is planned at home for the coming years, whether a sharp rise in production will come about if this has been refrained from on account of the price.

Plenipotentiary for Economic Questions Keppler: Factories are under construction, technical improvements are expected, it is to be hoped that the work in progress will bring about changes which will cheapen production. Special hope for certain American processes.

Generaldirektor Dr. Schmitz: Agrees to this method adopted after thorough discussion in order to utilize experience in enlarging factories.

Minister President Goering: Indicates serious import reductions in the A-case through which price probably unimportant. Rubber is our weakest point.

Minister Schacht: Not with regard to the amount of foreign currency necessary. Also with oil, home production develops rapidly. The nonprecious metals and ores play a more important part in relation to foreign currency.

* * * * * * *

Minister Schacht: States that exports [of raw materials] ought to be 25 percent higher, but will not rise more than 10 percent.

Ministerialdirigent Ruelberg: Explains that in the event of a 10 percent rise in imports (about 400 millions), we will have a reduction in foreign exchange of about 170 millions, because the Russians have to repay 220 millions in 1935 and only 50 millions in 1936. Thus, compared with an additional demand of 960 millions for imports, there are at the most 230 millions additional receipts for export, etcetera, so that an additional demand for 700 million RM remains for 1936.

Minister President Goering: Mentions that the desire for general information about the raw materials situation has been satisfied. He emphasizes its importance for questions of increased export and the procurement of substitutes for raw materials. The lack of 700 millions is a heavy burden. Relief is to be sought primarily by increasing exports, then by increasing the output of raw materials, by increased use of substitutes, reorganization in the utilization of materials and salvaging of waste materials, moreover, the consideration of manufactured goods as reserves for raw materials, increase of agricultural production wherever the need is critical, and the coordination of divergent efforts. The motor fuels situation appears very unfavorable from the point of view of foreign exchange, but offers many possibilities for improvement as an immediate measure. In agriculture the harvest yield is a great factor of uncertainty. This year, however, there is reason to hope for relief through a good harvest. For the time being, it is also necessary to carry out less obvious improvements and to examine the present organization for mistakes.

After everybody has been given this survey the gentlemen are asked to cooperate in the effort to master the situation. The situation is not to be regarded as something fixed and unchangeable, but as a starting point for new measures to be taken, at the head of which is export. Proposals in all fields are expected from those present. Questions concerning domestic raw materials and substitute materials are emphasized again. It is stressed that at any moment we might be confronted with a situation of unparalleled seriousness, with which we must be in position to deal. Everything has to be regarded from these points of view.

The speed of armament must under no circumstances be impaired; on the contrary, even the interests of the factories themselves should be relegated to the background. An appeal is made to the idealism of industry. Although great risks have to be taken now, there is reason to expect that they will also someday have correspondingly great results. The establishment of Germany's liberty to rearm is of primary importance. The fate of the individual plant is immaterial just now. After overcoming

the present difficulties, ways and means will also be found to save the individual plants from collapse.

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PARTIAL TRANSLATION OF DOCUMENT NI–4497
PROSECUTION EXHIBIT 573

LETTER FROM THE REICH AIR MINISTER TO FARBEN, 23 JUNE 1936, CONCERNING THE OPENING AND EXPANSION OF THE AKEN PLANT FOR HYDRONALIUM AND THE ENLARGEMENT OF THE TEUTSCHENTHAL PLANT

The Reich Air Minister
LD I 1 H No. 3334/36 secret
(In reply please quote above ref. No. and date, and state contents briefly.)

Berlin W 8, 23 June 1936
Tel. No. A 2 Flora 0647
Cable address: Reichsluft, Berlin, Leipzigerstrasse 7

To the Management of I.G. Farbenindustrie A.G.
Frankfurt/Main

I am referring to the contract[1] between the German Reich, represented by the Reich Minister of War, and the IG, which was concluded on 13–14 June 1934, the object of which was the construction of the Aken Hydronalium[2] plant, with a production capacity of 500 tons of crude metal per month, and the reopening of a corresponding processing plant at Teutschenthal for the purpose of utilizing German raw materials.

At my behest, IG this year increased the production capacity of the Aken plant by an additional 80 tons of crude metal per month and also enlarged the processing plant in Teutschenthal accordingly. For this, total costs have been estimated at RM 500,000.

I agree to reimburse these installation costs in 4 equal quarterly installments on 1 January, 1 April, 1 July, and 1 October 1939, subject to review and final settlement. For the rest, the pertinent provisions of the above-mentioned contract are valid in every respect; in this connection it will be within the meaning

[1] Portions of this contract were included as part of this exhibit but have not been reproduced herein.

[2] Reproduced immediately below is another letter from the Reich Air Minister, also dated 23 June 1936, concerning the erection of an additional plant at Stassfurt for the production of Hydronalium-E.

of said contract to consider the expansion at Aken as part of the Aken Hydronalium plant, and the expansion at Teutschenthal as part of the Teutschenthal processing plant.

By order

Signed: Loefken

[Stamp]
Reich Air Ministry Secretariat

Certified:
[Signed] Borke
Government Clerk

PARTIAL TRANSLATION OF DOCUMENT NI–4496
PROSECUTION EXHIBIT 574

LETTER FROM THE REICH AIR MINISTER TO FARBEN, 23 JUNE 1936, CONCERNING THE ERECTION OF THE STASSFURT FACTORY TO GUARANTEE THE WEHRMACHT'S REQUIREMENTS OF HYDRONALIUM-E

The Reich Air Minister

Berlin W. 8, 23 June 1936
Telephone: A 2 Flora 0647
Cable Address: Reichsluft Berlin
Leipzigerstrasse 7

[Stamp]
Secret

LD I 1 J No. 3334/36 secret
(Please state in reply the above file numbers, date and contents in short.)

To the management of the I.G. Farbenindustrie A.G.
Frankfurt/Main

As a result of repeated conferences I am pleased to confirm the following agreement on behalf of the German Reich:

In order to guarantee Wehrmacht requirements of Hydronalium-E, IG (which for this purpose established the plant at Aken as the result of a contract dated 13 and 14 June 1934 and concluded with the Reich, as represented by the Reich War Minister) is going to erect another factory at Stassfurt for the production of 340 tons of crude metal per month, in addition to smelting works and foundry for pig iron and ingots, as well as appropriate power supply lines. The plant shall be constructed in such a way that it will be possible to increase production to 600 tons of crude metal per month. A suitable preparatory plant also

will be added for processing German raw material. Finally, for the production of semifinished goods from Hydronalium-E, a die-casting plant will be put up by IG at Stassfurt or Aken with a production capacity of 50 tons of semifinished goods per month. (For further details as to the kind and size of the plants, reference is made to enclosure 1.)* This enclosure shows a final estimate of 19,753,000 RM. It goes without saying that this estimate (enclosure 1) is to be replaced by a corrected estimate after final settlement of accounts. If the rough estimate does not exceed the authorized and recognized sum by more than an average margin of 6 percent, it may be considered approved without special permission having to be obtained.

I confirm that the plants mentioned are being constructed on my request for my special purposes to cover a certain additional demand, and that when Wehrmacht orders are being distributed to the various Hydronalium plants of IG, the economic interests of your main plant at Bitterfeld shall be taken into consideration, provided no special arrangements are required in the interests of home defense.

Furthermore, I confirm that the new plants entail an increased risk for IG. In compensation of this risk, I shall, within 1 year after their completion, separately reimburse the special expenses arising from the construction of these plants and specially designated in enclosure 1 and which arise from the fact that for the construction of the Stassfurt plants, apart from economic and technical aspects, those of a military character have to be taken into consideration. I shall, moreover, refund to IG the following amounts also in such cases where the above-mentioned plants are no longer, or not fully, engaged in the execution of Reich orders or orders from other sources:

* * * * * * *

By order

Signed: Loefkens

[Stamp]
Reich Air Ministry
Secretariat

Certified
[Signed] Borke
Government Clerk

* Not reproduced herein.

TRANSLATION OF DOCUMENT EC–416[1]
PROSECUTION EXHIBIT 412

MINUTES OF THE MEETING OF THE MINISTERIAL COUNCIL, 4 SEPTEMBER 1936, AT WHICH GOERING READS AND DISCUSSES HITLER'S MEMORANDUM ON THE FOUR YEAR PLAN

Top Secret

Minutes of Meeting of the Ministerial Council of 4 September 1936, 12 Noon

Chairman: Minister President, General Goering
Reich War Minister, Field Marshal von Blomberg
Reichsbank President and Acting Reich and Prussian Minister of Economics, Dr. Schacht
Reich Minister of Finance, Count Schwerin von Krosigk
Prussian Minister of Finance, Professor Popitz
State Secretary Koerner
The Plenipotentiary for Economic Questions to the Fuehrer, Keppler
Ministerialdirektor Staatsrat Neumann
Staff Office Chief of the Reich Peasant Leader, Dr. Reischle
Recording Secretary: Lt. Col. of the General Staff, Loeb[2]

Minister President Goering: Today's meeting is of greater importance than all previous meetings.

At the last Cabinet meeting of 11 August 1936, it was agreed that supplementary material was needed in order to make it possible to reach a decision.

Meanwhile new trouble has arisen, especially in connection with nonprecious metals and rubber; even the Fuehrer has been drawn into this affair.

In the discussion of 1 September 1936 it was stipulated that any trouble must be avoided before the Party Congress. Privy Councillor Allmers had no authority for the letter in which he speaks of a 2 to 3 day working week for the automobile industry. On 1 September 1936 temporary measures for the period lasting until the middle of October, when a decision will be reached, were ordered and are to be carried through.

In the same meeting, special attention was called to our unpaid claims upon foreign countries which are presumably higher yet than the reported claims; thus it is stupid to rack one's brain

[1] This document was introduced in the Ministries case as Prosecution Exhibit 940 and is reproduced in full in section VI B, volume XII this series. It was also introduced in the IMT trial as USA Exhibit 635 and the German text is reproduced in *Trial of the Major War Criminals*, volume XXXVI.

[2] Lt. Col. Loeb at that time was the immediate superior of defendant Krauch in the Raw Materials and Foreign Exchange Staff.

because of a few million marks. But an examination must be made in order to find out whether the claims reported as bad cannot really be collected.

Existing reserves will have to be touched for the purpose of carrying us over this difficulty until the goal ordered by the Fuehrer has been reached; in case of war they are not a reliable backing in any case.

Certain persons have been asked for memorandums on the basic conduct of the economy. So far only one was presented, by Dr. Goerdeler[1] and it is absolutely useless. In addition to many other erroneous thoughts it contains the proposal of considerable limitation of armaments.

In this connection it should be stated that the authority of the General [Goering] refers to the "insuring of armaments" [Sicherstellung der Ruestung] which must be sped-up rather than slowed down.

The Fuehrer and Reich Chancellor has given a memorandum[2] to the General [Goering] and the Reich War Minister which represents a general instruction for the execution thereof.

It starts from the basic thought that the conflict with Russia is inevitable. What Russia has done in the field of reconstruction, we too can do.

Just what sort of risk is it that our industry is afraid of, compared to the risk in the field of foreign affairs which the Fuehrer runs so continuously?

The Fuehrer is going to have a memorandum issued concerning the financial angle of this problem.

Research on the problem of increasing exports, for instance, has shown that fundamentally new ways can hardly be found. It will not be possible to create a balance of foreign exchange merely by means of export. The "New Plan" of the Reich Minister of Economics is acceptable in its basic features—but it can be improved in details.

The General [Goering] reads the memorandum of the Fuehrer.[3]

The General is responsible for the execution of the tasks outlined in the memorandum.

If war should break out tomorrow we would be forced to take measures from which we might possibly still shy away at the present moment. They are, therefore, to be taken.

Two basic principles—

1. We must strive with greatest energy for autonomy in all

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[1] Goerdeler, former Lord Mayor of Leipzig, was sentenced to death by the People's Court (Volksgerichtshof) in connection with the attempt on Hitler's life on 20 July 1944.

[2] See Document NI-4955 Prosecution Exhibit 411, reproduced in part earlier in this section.

[3] Reference is made to Document NI-4955, Prosecution Exhibit 411, reproduced in part earlier in this section.

those fields in which it is technically possible; the annual amount of foreign exchange saving must still surpass that of the first proposal of the Raw Materials and Foreign Exchange Staff anticipating a saving of 600 million reichsmarks.

2. We have to tide over with foreign exchange in all cases where it seems necessary for armament and food.

In order to provide for foreign exchange, its flow abroad must be avoided by all means; on the other hand, whatever is abroad must be brought in.

The Fuehrer is going to speak very soon to the industrial leaders and expose to them his fundamental thoughts.*

In view of the power of the State, the necessary measures can definitely be carried through. Frederick the Great, to whom reference is being made from the most diverse sides, was in his financial attitude a strong inflationist.

Through the genius of the Fuehrer, things which were seemingly impossible have become a reality in the shortest time; last example: introduction of the 2-year [compulsory military] service law and recognition on the part of France that we need stronger armed forces than France herself. The tasks now ahead of us are considerably smaller than those which we have already accomplished.

All those measures which can be carried through with internal German money are possible and should be carried out. Through them, the requirements of industry and food supply needing foreign exchange must be pushed into the second line.

All measures have to be taken just as if we were actually in the stage of imminent danger of war.

The execution of the order of the Fuehrer is an absolute command.

(End of Meeting: 1300.)

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* Both Hitler and Goering spoke to a group of leading industrialists on 17 December 1936. See Document NI-4192, Prosecution Exhibit 423, concerning a report of the defendant Schnitzler on these speeches, and Document NI-051, Prosecution Exhibit 421, covering extracts from the notes on the speech by Goering. Both exhibits are reproduced in part later in this section.

TRANSLATION OF DOCUMENT AMBROS 304
AMBROS DEFENSE EXHIBIT 71

HITLER'S DECREE ENTRUSTING GOERING WITH THE EXECUTION OF THE FOUR YEAR PLAN, 18 OCTOBER 1936

1936 REICHSGESETZBLATT, PART I, PAGE 887

Decree on the Execution of the Four Year Plan

18 October 1936

The realization of the new Four Year Plan as proclaimed by me at the Party Congress of Honor [Parteitag der Ehre] requires a uniform direction of all forces of the German nation and the rigid embodiment of all pertinent authorities in Party and State.

I convey the execution of the Four Year Plan to Minister President, General Goering.

Minister President, General Goering, will take the necessary measures for the fulfillment of the task given to him and in this respect has authority to issue legal decrees and general administrative regulations. He is authorized to hear and provide with instructions all authorities, including the Supreme Authorities of the Reich, and all agencies of the Party, its formations and affiliated organization.

Berchtesgaden, 18 October 1936

The Fuehrer and Reich Chancellor
ADOLF HITLER

TRANSLATION OF DOCUMENT AMBROS 305
AMBROS DEFENSE EXHIBIT 72

GOERING DECREE ON THE EXECUTION OF THE FOUR YEAR PLAN 5 NOVEMBER 1936, CONCERNING THE PUBLICATION OF DIRECTIVES OF THE FOUR YEAR PLAN, CRIMINAL PENALTIES FOR THE VIOLATION THEREOF, AND RELATED MATTERS

1936 REICHSGESETZBLATT, PART I, PAGE 936

Second Decree on the Execution of the Four Year Plan, 5 November 1936

By virtue of the decree of the Fuehrer and Reich Chancellor for the execution of the Four Year Plan of 18 October 1936 (Reichsgesetzblatt, part I, page 887) it is hereby ordered as follows:

I

Those of my regulations for the execution of the Four Year Plan which have to be made public, insofar as they do not appear in the Reichsgesetzblatt, will be published in the German Reich Newspaper and Prussian State Newspaper [Deutsche Reichsanzeiger, und Preussische Staatsanzeiger].

II

(1) Any violation of the order and prohibitions contained in such regulations will be punished with imprisonment and fine, the latter to an unlimited extent, or with one or other of these punishments.

(2) Paragraph 4 of the Law for the Execution of the Four Year Plan—Appointment of a Reich Commissioner for Price Control—of 29 October 1936 (Reichsgesetzblatt, part I, page 927) remains unaffected.

III

No compensation will be payable for any damage arising as a result of an order published in accordance with Paragraph I hereof.

Berlin, 5 November 1936

The Minister President
GOERING
Plenipotentiary for the Four Year Plan

TRANSLATION OF DOCUMENT NI-13521
PROSECUTION EXHIBIT 1918

LETTER FROM DEFENDANT AMBROS TO DEFENDANT TER MEER, 14 DECEMBER 1936, CONCERNING THE DRAFTING OF A PLAN FOR THE PRODUCTION OF MUSTARD GAS AND ITS PRELIMINARY PRODUCTS BY FARBEN'S LUDWIGSHAFEN PLANT AT THE RAW MATERIALS OFFICE

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT,
LUDWIGSHAFEN/RHINE

Dr. O. AMBROS

[Handwritten]
to Dir. Krauch
[Stamp]
Strictly Confidential
14 December 1936/Kr.

To Director Dr. ter Meer
I.G. Farbenindustrie AG
Frankfurt/Main

Dear Dr. ter Meer,

As I already told you verbally, we have, at the request of the Raw Materials Office, undertaken the job of drafting a manufacturing plan for the production of L ["Lost": mustard gas] and its primary products, and of suggesting the measures which we consider necessary in this respect.

Our Dr. Wittwer, who is in charge of this project, will be assigned to this special order for several weeks and will work out our plan in the Raw Materials Staff.

At the moment, we are starting out from the fact that in the long run, preparedness cannot be attained by storing enormous amounts of L, but rather by having A-plants [war plants] which are ready to start operating, particularly since it is not yet quite certain how long the finished product can be stored. For reasons of investment and consumption of raw materials (chlorine!) we should therefore try to have the D-L ["Direkt Lost"] process developed and a plant built for it.

During the next few days, Dr. Wittwer will, therefore, collect all the data about the technical phase of the processes, form an opinion on them, and then deal with the *raw material question.*

Acetylene will remain the basis; this will either become ethylene through alcohol, or we hope that it will be possible to hydrogenate this directly into ethylene according to the Ludwigshafen process. This method would save ⅔ of the amount of chlorine which is otherwise required for the Oxol process.

The question of acetylene and power is at present of necessity being studied through the buna projects.

We will then work out a development plan for L supplies in case of war on the basis of the technical evaluation of the processes and raw materials supplies, and after the locations have been decided upon will compile appropriate plants. We hope that we shall be able to have our technical staff, which built Ammendorf and which is just carrying out the Wolfen project, released for this purpose.

In our opinion, the Ammendorf plant should start operating immediately, in addition to this installation of the standby plants [Bereitschaftsanlagen], so that Oxol can be stockpiled. We are at present studying the possibility of starting operations at once, with regard to providing steam and electric power, plant management, and supplies of chlorine and alcohol.

I presume that you will agree to these decisions and remain

Yours faithfully [Handwritten]

[Stamp] Signed DR. O. AMBROS

copy to Dr. Wittwer

PARTIAL TRANSLATION OF DOCUMENT NI-051[1] PROSECUTION EXHIBIT 421

EXTRACTS FROM A REPORT ON GOERING'S SPEECH BEFORE LEADING INDUSTRIALISTS AT THE "PREUSSENHAUS," 17 DECEMBER 1936, CONCERNING THE EXECUTION OF THE FOUR YEAR PLAN

Minister President General Goering on the Execution of the Four Year Plan

THE SPEECH IN THE BIG ASSEMBLY HALL OF THE "PREUSSENHAUS" ON 17 DECEMBER 1936[2]

After a short survey of world politics and the dangers of bolshevism and the world revolution, Goering said among other things:

The old *laws of economics* have no longer their former value. In economics there are no laws of nature, but only those made by man. These are *interpretations* by man adapted to special circumstances. We see today the realization of things which only a few years ago appeared to be Utopia.

We must let the *worker* participate in the wealth of ideas since

[1] This document was introduced in the Ministries case as Prosecution Exhibit 964, and it is reproduced in full in section VI B, volume XII, this series.

[2] Paul Koerner, Goering's permanent deputy for all current matters in the Four Year Plan, stated in an affidavit (*NI-5955, Pros. Ex. 422*) that about 100 of the leaders of German industry were present for this address and that immediately after Goering concluded his speech, Adolf Hitler addressed the assemblage.

we are not in a position to raise, within a short time, his material position to a desirably high level. The wages are not yet as high as we would like them to be. It is clear that the *propaganda* of the past decades is still having its effect on the German worker. Not only can Marxist methods be sometimes attributed to the German Labor Front; there are also employers who still make use of capitalistic methods.

As far as the economic area of the Four Year Plan is concerned, it is necessary to remember the serious effect of the blockade against which we could not use sufficient countermeasures. Wise men of the business world declared before the war, when contributions for armaments were argued about, that the economy could bear 1.2 but not 1.4 billion. The check [Wechsel] for insufficient preparations for war was presented on the battlefields.

In the World War 160 billion marks were mobilized. Today we have the same difficult situation as then.

The stability of our *currency* is unquestioned. The German people will not be exposed to the horrors of inflation a second time.

Two difficulties are in the way of *rearmament*:

(1) The supply of raw material and foodstuffs.

(2) The shortage of labor.

We must create *reserves* of food supplies and raw materials, just as the Prussian King did in the Seven Years' War. The *daily bread* must be absolutely guaranteed. It is more important than guns and grenades. I have the complete confidence of the Fuehrer and a far-reaching power of decision. I am master of the *German money;* but, I am sorry to say, not of the foreign currency. Here my work must begin.

Then Goering read out what the General Council of German Raw Materials and Synthetics had reported. Here it says, among other things, complete utilization of the forces of the individual employers. Private initiative. Business should make suggestions.

* * * * * * *

The raw materials industry must achieve greater capacity, must increase its *productive ability.*

Then I always hear objections, such as—What is to happen to my investment, once the rearmament is finished? Gentlemen: inasmuch as we would have to increase our capacity in order to be prepared for any eventuality—that we cannot do in any case. Whatever happens, our capacity will be far too small. The struggle which we are approaching demands a colossal measure of productive ability. No end of the rearmament is in sight.

The only deciding point in this case is victory or destruction. If we win, then the economy will be sufficiently compensated. Profits cannot be considered here according to bookkeepers' accounts but only according to the necessities of policy. Calculations must not be made as to the cost. I demand that you do all to prove that part of the national wealth is entrusted to you. It is entirely immaterial whether in every case new investments can be written off. We are now playing for the highest stake. What would pay better than the orders for rearmament?

With regard to *obtaining raw materials in our own country,* I want you to give orders to your engineers so that all foreign raw materials should be—as far as possible—replaced by materials produced in our own country. Industry must also be in the forefront in setting an example in the collection of scrap. The utilization of *German mineral wealth* is a vital question of importance. He who knows of any iron-ore deposits or of other deposits and does not report about it, commits an act of treason. How much our neighboring countries were able to extract from their own soil! We find in the history of our country that in the past the German soil produced far more raw materials of the greatest variety. This has stopped, for many reasons, be it for lack of transportation or owing to competitive prices on the world market, which are lower than the costs in our own country. I gave orders to consult old books. The State Institute for Geology and other institutes have been entrusted with geophysical investigations. They work day and night. Every percent of raw materials obtained from *our own country is important.* Imagine only that we would no longer obtain any Swedish iron ore, if it should fall into Jewish hands!

* * * * * * *

Then Goering spoke of the *production of mineral oils* and the great worries he has with regard to the *procuring of rubber.* When he took office he had taken care that the automobile manufacturers received sufficient material that we could produce normally again. "I took guilder and pound sterling loans. I knelt before foreigners. I take the Four Year Plan damned seriously."

* * * * * * *

As far as the relations to the *Reich Ministry of Economics* are concerned, this Ministry continues to carry full responsibility. He has called in only a few experts. They gave the Reich Ministry of Economics necessary advice.

In closing, Goering demanded unlimited efforts of all factors in the whole economic field. All selfish interests must be put aside. Our whole nation is at stake. We live in a time when

the final disputes are in sight. We are already on the threshold of mobilization and are at war, only the guns are not yet being fired.[1]

PARTIAL TRANSLATION OF DOCUMENT NI–4192
PROSECUTION EXHIBIT 423

EXTRACT FROM THE MINUTES OF THE MEETING OF THE ENLARGED FARBEN COMMITTEE, 22 DECEMBER 1936, CONCERNING SPEECHES MADE BY HITLER AND GOERING ON THE FOUR YEAR PLAN

Minutes on the Meeting Held on 22 December 1936 by the Enlarged Farben Committee

Persons present:

Dr. von Schnitzler	Dr. ter Meer	von Bruening
Waibel	Dr. Seidel	Koehler
Muehlen	Dr. Walther	Dr. Kuepper
Wiegand		Weigandt
Wolff		

From the Central Agency for Farben Agreements:

Eckert	
C. von Weinberg	re item 2*a*
Kraus	re item 3

1. *Addresses of the Fuehrer and Reich Chancellor as well as of Minister President General Goering about the Four Year Plan given on 17 December 1936 in Berlin*

Herr von Schnitzler gave a strictly confidential report about the address made by the Fuehrer and Reich Chancellor as well as by Minister President General Goering, on 17 December in Berlin, concerning the tasks of the German economy in the execution of the Four Year Plan.[2]

* * * * * * *

[1] Further reference to this remark is made in the testimony of Dr. Gustav Kuepper, a defense witness and formerly a Farben lawyer. This testimony is reproduced below in subsection F 4.
[2] *Ibid.*

PARTIAL TRANSLATION OF DOCUMENT EC–373*
PROSECUTION EXHIBIT 416

EXTRACTS FROM A SPEECH BY GENERAL THOMAS, CHIEF OF THE MILITARY ECONOMICS STAFF OF THE WEHRMACHT TO THE REICH CHAMBER OF LABOR, 24 NOVEMBER 1936, CONCERNING MILITARY ECONOMY AND THE FOUR YEAR PLAN

Chief
Military Economics Staff
Armed Forces Office

Berlin W 35, 24 November 1936
Bendlerstrasse 27

Speech delivered on 24 November 1936 before the Reich Chamber of Labor

I have for two reasons acceded with particular pleasure to the wish of Dr. Ley that I address the Reich Chamber of Labor on Military Economy:

1. The *Reich Minister of War* is particularly concerned that, especially in your circle, the fundamentals of military economy should be known and that you should acquire a picture of how the *soldier* views the connection between Wehrmacht and economy.

2. I, *as Chief* of the Military Economics Staff, desire to explain to you what tasks the *German Labor Front* has to fulfill in military economy, having pointed out in an article in the Wehrmacht number of the "Leipziger Illustrierten Zeitung" [Leipzig Illustrated News], which will appear within the next few days, that the German Labor Front has great tasks in this connection.

* * * * * * *

Now what is military economy?

Military economy is *not a form of economy*, it is not an expression of *untried* ideas, it is not a *one-sided* affair of military interests. Military economy is the designation indicating the direction for the economic activity of *all* citizens. It is a political *concept*. It no longer has anything whatsoever to do with *theoretical* doctrines of a bygone economic science. It is not an epoch which can be succeeded by another, because it expresses the expediency of all happenings in the economic sphere for the interest of the life of the State, expediency perceived purely in the light of reason. In the present situation, it is therefore *best* suited to promote and, above all, also to safeguard the well-being of the State. It is military economy in the *comprehensive* sense

* This document was introduced in the Ministries case as Prosecution Exhibit 942. Further extracts are reproduced in section VI B, volume XII, this series.

of the word. It is economy directed by people of *soldierly* character and, accordingly, the expression of the *highest idealstic attitude* towards the State.

* * * * * * *

The ultimate aim of military economy is the safeguarding of the nation. Wherever this axiom cannot be brought into line with industrial efficiency, the latter must take second place.

Military economy has much in common with *planned economy, but they are not the same.* Military economy calls for planned guidance of business and industry by the State, but it does not require that the State conduct these affairs. In Russia, on the other hand, military economy and planned economy are identical. The Fuehrer has given his opinion about this question quite clearly on several occasions, the first time in his great speech before the Reichstag in March 1933, in which he mentioned the *recognition of private property.* In that speech, he decided clearly in favor of promoting private enterprise to the utmost and against an economic bureaucracy organized by the State as a divergent means of safeguarding the economic interests of the nation. This does not preclude, in the sphere of armaments, the setting up of a few model installations, run by private enterprise but controlled by the State down to the last detail, in order to use them as price regulators and as experimental stations.

The State directs the economy in accordance with national and military-economic principles and assigns certain tasks to it; the economy solves the problems on its own responsibility and on the basis of private enterprise, but in accordance with the aims of the government. If industry is educated in this way along military economic lines, it will fulfill its difficult task.

* * * * * * *

Some time ago I was asked by a foreign military attaché: why do you indulge in the luxury of the Four Year Plan, and why do you rush headlong into these unnecessary expenses? I was able to reply briefly and to the point: because you force us to do so, and don't want to give us what you possess in your country, and what every country needs to preserve its place in the world.

Gentlemen, the Four Year Plan is military economy at its purest.

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT NI-6709
PROSECUTION EXHIBIT 431

EXTRACTS FROM AN ARTICLE BY COLONEL OF THE GENERAL STAFF, FRITZ LOEB,* ENTITLED "TASKS OF THE OFFICE FOR GERMAN RAW MATERIALS AND SYNTHETICS," APPEARING IN "THE FOUR YEAR PLAN" MAGAZINE, JANUARY 1937, ISSUE 1, PAGE 3

* * * * * * *

The tasks of the Office for German Raw Materials and Synthetics are clearly defined and can be reduced to the following simple statement: It is responsible for *the quickest possible elimination of our fatherland's dependence on foreign raw materials wherever this is possible in the present situation.*

* * * * * * *

The Research and Development Department, which was formed for this task, consists of men who, having been appointed while enjoying the confidence of the respective groups of specialists, offer the best assurance conceivable for furnishing pertinent and objective advice to their superiors who have the responsibility of making decisions. But beyond this, the whole German nation was summoned by General Goering to cooperate in the necessary mental efforts preliminary to the great new task. So far, thousands of fellow Germans have already responded to this call. And even though, as is to be expected under the circumstances, the preponderant majority of the proposals is not suitable for utilization in practice, the fact that a noteworthy number of new ideas can be introduced fully repays the great amount of work which must needs be applied in this field.

* * * * * * *

But in conclusion, the following fact seems to have particular significance: All branches of the economy which are participating in the new order *are in the front line of our country's struggle to become independent of external influences. Thus they play an essential part in the security of the State.*

This must be taken into account, for one thing, in shaping their external form. Even though we no longer need to fear that enemy ground forces will invade German soil, we must, nevertheless, in accordance with the theory openly expressed everywhere in foreign countries, take into account the fact that a military clash will commence with a surprise attack of enemy

* Col. Loeb was the immediate superior of the defendant Krauch in the Office for German Raw Materials and Synthetics. Prior to the establishment of the Office of the Four Year Plan, the general functions of the Office for German Raw Materials and Synthetics were performed by the Raw Materials and Foreign Exchange Staff, also headed by Col. Loeb.

air forces on our country without the warning of a declaration of war. We must take precautions that such a surprise attack will not be able to paralyze us in *fields which are important for existence and for carrying on war. The measures necessary for this are an added burden which affects the plants of the Four Year Plan in the same measure as the plants of the immediate armaments industry.*

* * * * * * *

TRANSLATION OF DOCUMENT NI–7823
PROSECUTION EXHIBIT 717

LETTER FROM THE OFFICE FOR GERMAN RAW MATERIALS AND SYNTHETICS TO THE REICH MINISTER OF WAR, THE MILITARY ECONOMICS STAFF, THE HIGH COMMAND OF THE ARMY, THE REICH AIR MINISTRY, AND THE NAVAL ORDNANCE OFFICE OF THE HIGH COMMAND OF THE NAVY, 29 DECEMBER 1936, CONCERNING STOCKPILING OF VARIOUS MATERIALS, STANDBY PLANTS, AND RELATED PROBLEMS

[Stamp]

Top Secret

Berlin, 29 December 1936
Behrenstrasse 68–70
Telephone: A2 Flora 0048

Minister President General Goering
Plenipotentiary for the Four Year Plan
Office for German Raw Materials and Synthetics
Journal No. 14087 36 Dr. B/U. I/III

[Stamp] Very urgent!

Reference:

Subject: Production program and stockpiling of gunpowder, explosives, chemical warfare agents, and their primary products.*

[Stamp] Military Economics Staff,
Raw Materials Department
31 December 1936, 597
No. 4914/36 Top Secret

To the Reich War Minister, Military Economics Staff
High Command of the Army (Wa. Stab, Wa B3, Wa B4, Wa

* See also the report of the Reich Office for Economics Development, dated 8–9 April 1938, entitled "Ensuring of Mobilization Supplies Through Stockpiling," (*Doc. NI–7848, Pros. Ex. 718*), reproduced below in subsection, G 5 "the Krauch Office."

Pruef. 1, Wa Pruef. 9, In. 4, In. 9)*
Reich Air Ministry, Department L A 5
High Command of the Navy (Naval Ordnance Office)
Berlin

A conference will take place on Wednesday, 6 January 1937, at 1500 hrs., in the large conference room at the Office for German Raw Materials and Synthetics, to discuss the following points:

1. Establishment of specific production capacities for gunpowder and explosives, according to type and quantity;

2. Decision on stockpiling of finished gunpowder and explosives (requirements for 6 months);

3. Decision on stockpiling of primary products and organic basis materials, such as nitration paper, diglycol, etc. (requirements for one year);

4. Establishment of specific production capacities for chemical warfare agents, the type of which already has been decided;

5. Stipulation of types and quantities as well as production capacities of chemical warfare agents which have not yet been decided;

6. Decision on stockpiling of chemical warfare agents (dichloridethyl-sulfide, requirements for three months);

[Handwritten marginal note covering items 1 to 6:] All these are questions which still need clarification, and most of which the office for German Raw Materials and Synthetics cannot decide either.

7. *Decision* on stockpiling of organic primary products for chemical warfare agents (requirements for six months);

8. *Decision* on stockpiling of calcium hypochlorite or Losantin;

9. *Decision* on production capacities for calcium hypochlorite (standby plants);

10. Choice of the sites for chemical warfare agent filling plants;

11. Final selection of the sites for fuel depots for the stockpiling of diglycol, ammonia (for ammonia-combustion plants and nitric acid (HNO_3—concentration plants), paraformaldehyde for E-Hexogen, formaldehyde or methanol for W-Hexogen, acetic acid, etc.;

12. Final selection of the sites for fuel depots for the stockpiling of thiodiglycol and dichloridethylsulfide.

It is requested that a duly informed representative be sent to this conference.

By order:

[Signed] NEUREUTHER

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* These abbreviations refer to various sections in the Army Ordnance Office.

Lieut. Commander (Res.) and Deputy Department Chief
[Handwritten note]
Cancelled verbally:
Major Czimatis
Lt. Col. Wilk
Lieut. Commander Frigge
Captain Lohr

TRANSLATION OF DOCUMENT CK–32
GENERAL DEFENSE EXHIBIT 85

EXTRACTS FROM HITLER'S SPEECH ON 30 JANUARY 1937, DISCUSSING THE FOUR YEAR PLAN AND THE NEED FOR PEACE*

* * * * * * *

This systematic guidance of our economy finds its mightiest expression in the program of the Four Year Plan. By this means, permanent employment in the internal sphere of our economy is guaranteed for the masses of German workers who will one day return, especially from the armaments industry. At any rate, it is an indication of this, our people's most gigantic economic development, that in many branches today, skilled workers can be obtained only with great difficulty. I welcome this fact in particular because it helps to bring the importance of the worker as man and employee into the right perspective, and because in consequence, even though for different motives, the welfare activities of the Party and its formations meet with greater understanding and enlist increased and more willing support. As long as we view the tasks of industry in the light of such high responsibility towards the people, the former separation of employers and employees will vanish of itself.

* * * * * * *

I want work and bread for my people, and that not only on a temporary basis through the granting of credits, for example, but through a steady continuous flow of production, which I can either use in exchange for the goods of the rest of the world, or which I have to barter against our own products within the orbit of our own economy.

* * * * * * *

I cannot build the German people's future upon the assurances of foreign statesmen concerning some kind of international aid;

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* The extracts reproduced here are the extracts offered in evidence by the defense. The judgment of the Tribunal quotes from these extracts. Judgment is reproduced in section XIII, volume VIII, this series.

I can only build it upon the practical basis of steady production, which I have to market either at home or abroad.

* * * * * * *

The foremost task for us Germans is the execution of the Four Year Plan. It will demand a gigantic effort; it will, however, one day also be a great blessing for our people. It involves the strengthening of all the branches of our national economy. Its execution is guaranteed. The extensive projects which have been started, in addition, will be continued. Their aim will be to make the German people healthier and life more pleasant. As an outward expression, however, of the great epoch of resurrection of our people, the systematic development of several large cities of the Reich shall now begin; in the first place—the reconstruction of Berlin, which is to become the capital of the German Reich in the true sense of the word. Similar to our Inspector General for Road Construction, I have, on this day, appointed an Inspector General [Generalbauinspektor fuer die Reichshauptstadt], who is responsible for the architectural reconstruction of the Reich capital and who shall see to it that Berlin's chaotic growth of buildings will be organized along grand lines which shall do justice to the spirit of the National Socialist movement and the character of the capital of the German Reich. For the execution of that plan, a period of 20 years is provided. May the Almighty grant us peace during which the gigantic task may be completed.

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TRANSLATION OF DOCUMENT NI-6343
PROSECUTION EXHIBIT 558

LETTER FROM DEFENDANT TER MEER AND DR. BUHL TO GOERING, 15 JUNE 1937, CONCERNING FARBEN'S BUNA CONTRACT WITH THE REICH, AND EXPERIMENTATION AND PRODUCTION COSTS

Frankfurt/Main, 15 June 1937

I.G. FARBENINDUSTRIE A.G.
To Minister President, General Goering
Plenipotentiary for the Four Year Plan
Office for German Raw Materials and Synthetics
Berlin, Behrenstrasse 68/70

Subject: Buna Contract/Experimentation Costs

In the contract between the German Reich and the I.G. Farbenindustrie A.G. concerning the construction and operation of a buna factory in Schkopau, Article 4 provides that, for experimental and development work to be carried out by them, IG shall receive reimbursement of 12.5 Reichspfennigs per kilogram of

saleable buna; however, not to exceed a maximum of 3 million RM per annum. The IG, at the same time, is prepared to agree to a suitable decrease of this reimbursement rate and, accordingly, a decrease of the maximum figure of 3 million RM, if the current costs for experiments and developments should fall below the sum of 3 million RM per annum, it being understood that any increase or decrease in the costs, as against the actual amount of reimbursements since 1 July 1937, shall be carried forward each time.

We have declared ourselves in agreement with this arrangement, although, from 1935 to 1 July 1937, we have already incurred experimentation costs totalling over 7 million RM in connection with the intended construction of a major plant, and although, judging by the present situation and our estimates for the future, the current experimentation and development costs will, for a number of years, considerably exceed the yearly total of 3 million RM, they will hardly be less than 5 million RM per year.

At the same time, we confirm the understanding reached during the verbal conferences with the representatives of the Reich to the effect that no check will be made of the experimentation costs because of the difficulties involved, but that for the duration of the Schkopau contract, we will, at the end of each calendar year (the first time, for the period from 1 July to 31 December 1937), submit to the Reich (for the attention of the Office for German Raw Materials and Synthetics) a summary statement of the amount of the experimentation costs spent during the calendar year in question.

I.G. Farbenindustrie A.G.
[Stamp] DR. F. TER MEER
[Stamp] Signed: DR. BUHL

TRANSLATION OF DOCUMENT NI-4711
PROSECUTION EXHIBIT 557

LETTER FROM DEFENDANT TER MEER AND DR. BUHL TO GOERING, 15 JUNE 1937, CONCERNING THE BUNA CONTRACT WITH THE REICH AND LICENSING OF THE BUNA PROCESS TO OTHER PLANTS

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

Frankfurt/Main,
15 June 1937

To Minister President, General Goering
Plenipotentiary for the Four Year Plan
Office for German Raw Materials and Synthetics
Berlin, Behrenstr. 68/70

Subject: Granting of Licences for Buna Processes to Additional Buna Plants

Referring to the contract concluded with the Reich in connection with the establishment in Schkopau of a large-scale buna plant (hereinafter merely called "Schkopau Contract"),

We are willing also to sign contracts of license, each for the period of 10 years, with additional buna plants to be established within the Four Year Plan, according to which we shall give these factories licenses on the patents and know-how we possess, making available to them all improvements or new processes invented by us or placed at our disposal by other licensees during the term of the individual contract, as far as these patents and know-how are necessary or useful to the buna manufacturing process employed by the respective plants.

According to section 4, paragraph 4, of the Schkopau Contract, the reimbursement rate for our experimental and development work specified therein (adhering to the stipulated maximum figure of 3 million RM per annum), is to be transferred to any additional buna plants to be established within the Four Year Plan, in proportion to the respective volume of production. Furthermore, we will, on principle, refrain from charging any license fees which would provide a profit for us. This, however, does not preclude the fact that for the duration of the Schkopau Contract, as well as after its expiration, we shall, during the remaining term of the license contracts to be signed with the individual plants, demand a special—or possibly proportionate—reimbursement, inasmuch as we ourselves shall incur expenses, arising after the conclusion of the Schkopau Contract, perhaps for technical assistance, or for discharging our liabilities, such as compensating inventors, or making payment for licenses to third parties, also for patent royalties, and so forth. Furthermore, it is understood

that after expiration of the individual license contract, the plant in question will continue enjoying the benefit of the licenses acquired by it up to that time, without any further compensation (with the possible exception of license fees to be paid proportionately to a third party), of course also without claim to further services from the IG.

This consent to put our patents and know-how at the disposal of the new plants referred to, and to renounce any profits, can only be justified from the point of view of the Four Year Plan; however, in order to maintain the competitive ability of the Schkopau plants, this promise is made on the condition that none of these new plants will be granted more favorable terms by the Reich than those provided in the Schkopau Contract, with regard to interest rate for credits, possibilities of amortization, taxes and so forth, unless these more favorable conditions are also granted to the Schkopau plant.

Furthermore, we reserve the right of making provisions in the license contracts to be concluded with the new buna plants (beyond the question of license fees) as we deem necessary and fair for the protection of the interests of the Schkopau plant as well as our own, and as seem expedient according to the state of affairs.

I.G. Farbenindustrie Aktiengesellschaft
[Stamp] DR. F. TER MEER
[Stamp] Signed: DR. BUHL

TRANSLATION OF DOCUMENT NI-6629
PROSECUTION EXHIBIT 553

ARTICLE BY DR. CARL KRAUCH ENTITLED "TASKS AND OPERATIONS OF THE OFFICE FOR GERMAN RAW MATERIALS AND SYNTHETICS," PUBLISHED 1937 IN THE MAGAZINE "THE FOUR YEAR PLAN"

Issue No. 5 The Four Year Plan

[pages 261–263]

Dr. C. Krauch

Research and Development

Tasks and Operations of the Office for German Raw Materials and Synthetics

The Office for German Raw Materials and Synthetics is responsible for making it possible, in the shortest time imaginable, to put an end to the dependence of our fatherland on foreign raw materials in all those fields in which this is feasible according to the given situation. The "given situation" in a certain field of raw materials can be recognized and evaluated by examining the

results of research and the progress of technical development of the processes pertaining to this field. It is, therefore, the status of scientific and technical progress and of development potentialities which controls the use or the creation of German raw materials and synthetics. The state of technical development, the question whether a process can be applied immediately or how long its development will take, determines the length of time still required for the work which will have to be done until the process becomes practicable. The time required for the construction of the new production sites also must be added to this period of development. Thus, for each field of raw materials and synthetics there is a "shortest imaginable" time during which its utilization in the German raw materials industry is possible. The department responsible for handling these research and development questions in all fields of raw materials (with the exception of "industrial fats" for which a separate Administrative Group [Geschaeftsgruppe] was set up), Department III, the "Research and Development" Branch,* was created within the Office for German Raw Materials and Synthetics.

Tackling the practical solution of the tasks of this office, and thereby, also, the question of the procurement of raw materials, entailed a number of preparatory tasks which had to be dealt with immediately. First it was necessary to ascertain in broad outlines what the situation was in the various fields of raw materials, what technical processes were immediately available for the production of German raw materials and synthetics, and what processes were being successfully developed or would appear to be available for practical use in the near future. Furthermore, it had to be ascertained whether, by using these processes, the quality and price standards which are customary in German industry in the respective fields could be maintained, and finally, it had to be decided approximately whether and to what extent the office wanted to apply these processes in the various fields of raw materials and synthetics. These decisions were in each case dependent on the national-economic importance of the respective field.

This work had to be done as fast as possible in order to prepare the material and data necessary for making decisions on new constructions of plants for the production of raw materials and synthetics. The clarification of these questions was especially urgent also because the prevailing schedule of starting periods, necessitated by the construction of the plants, had to be reduced as much as possible. To accomplish all this would never have been possible in the short space of time actually spent for this

* The defendant Krauch was the chief of this department. For the development of this department and the emergence of the Reich Office for Economic Development see the next section of this volume.

purpose, if all groups concerned, Party agencies, authorities, and especially German industry with its wide experience, had not done its utmost in cooperation with the Office.

After some preliminary studies were completed in various raw materials fields which, in broad outlines, provided a survey of the situation and the requirements, the leading technical and scientific experts of industry and economy as well as of science were consulted about the various subjects. Thus in the shortest time imaginable a clear picture of the purely technical requirements of raw materials in the various fields and of the bottlenecks existing there, as well as of the technical and economic possibilities for solving these problems, was obtained. It was possible to clarify the situation quickly to such an extent that a definite technical extension plan for the office resulted for each of these fields, though only in outline for the time being. By making use of specialists, who, through years of experience, are thoroughly acquainted with the various very complicated fields (a working procedure generally adopted by Department III), a completely unprejudiced and clear view of the situation could be provided in the shortest time possible. At the same time as this purely technical work (and in close consultation and mutual exchange of ideas with various agencies of the party such as the Gauleitungen, the National Socialist Office for Technical Science, and the offices of the German Labor Front, as well as the Reich authorities), negotiations were going on to incorporate the economic suggestions and wishes of these offices into the program and to evaluate them for development.

While the work which had to be done immediately was under way, the office ascertained which processes could be used immediately for the Four Year Plan. In examining the processes which were still being developed, comparison and weighing of the sometimes diverging opinions of the industries and personalities already using these various processes was often necessary.

Through this close cooperation with the province of technology [technische Praxis] (which, on the strength of knowledge, experience, and production capacity, in the long run will be responsible for conducting the development and the management of the new German raw materials industry as part of the National Socialist reconstruction program of German economy), close contact and a bond of confidence were established between the realm of technical science and the Office for German Raw Materials and Synthetics, which already proved to be an excellent basis for all future work. Through all this, the consciousness of all parties involved as to their responsibility for the progress in their re-

spective fields, and consequently for the success of the Four Year Plan, has been increased and fully brought to bear.

Along with this work a strong staff nucleus was formed, consisting of carefully chosen and best qualified men of science and industry (solely chemists or engineers).

Meanwhile the immediate tasks have been carried out. The result of this work was an expansion plan for every field of raw materials, which contained the technically possible and economically recommendable measures, eliminated all useless or economically untenable processes, and deliberately avoided uncertain changes for the future. The tangible projects which were the first job have become the basis of the industrial section within the Four Year Plan. Owing to the fact that this work (for the first time executed by one single, technically proficient agency closely connected with the Party and the government) dealt with the research and development questions arising in all fields of raw materials, it was possible to develop an over-all plan for the industrial production of new German raw materials and synthetics which coordinated the various fields and took into consideration the problem of extensive complexity, particularly in the field of chemical synthesis, and which complied with the directives given by the Fuehrer's Plenipotentiary for the Four Year Plan.

All the work and research carried out for the solution of the immediate tasks repeatedly emphasized the following German raw material situation as conditioned by nature: the German soil is not especially rich in ores and mineral oil if one compares these German deposits with the richness and quality of the famous deposits of the world. We own various extensive ore deposits but our industry previously did not exploit them because the world market supplied these metals more "economically." Here we have to make good what was missed and have to develop or expand the processes for the preparation and refining of the poorer German ores.

As far as agriculture is concerned, we can, of course, not plan to produce cotton or rubber, for instance, on our own soil. Apart from the fact that with a few exceptions our climate does not permit the growing of such raw material plants, Germany needs the crops of her fields for food. The German soil is, however, rich in coal and salts. We have the minerals of the mountains, the wood of the forests, and finally, water and air at our disposal. As the German soil offers us only this particular selection of industrial raw materials in practically unlimited quantities, most of the attempts to cover the German requirements of raw materials on an indigenous basis lead us again and again to the ques-

tion: Can we produce synthetically the raw materials and synthetics necessary for the German economy out of these treasures of the soil which are available in practically unlimited quantities, such as coal, salt, wood, water, and air?

Thus the solution of the problem of German raw materials and synthetics becomes for the greater part the task of chemical synthesis and thus that of the German chemist and technician.

The execution of the reconstruction projects as part of the immediate tasks, that is, the practical execution of the program for new construction, as well as the production and refining of German ores, will, after termination of the work of Department III, rest in the hands of the various main special departments [Referate] of the Office, which were earmarked for the practical execution of this work and established for this purpose. The department "Research and Development" will continue in its task of controlling the progress of scientific research and technical development in each of the various fields of raw materials. This work, which is carried out in close cooperation with the other main special departments and departments of the office concerned, results in a steady improvement and supplementation of the existing opportunities and plans for the individual fields of raw materials. The Department III continues to work for each field in such a way that, after clarification of the scientific, technical, and (in rough outlines) also the economic data, of the respective proposals or processes, it pronounces the various plans and projects ready for execution. After expert appraisal has been given, it then passes them on to the other branches of the office for practical realization. Likewise, it gives scientific and technical appraisal of the supplementary projects proposed by the agencies executing them, and continues to keep an eye on the further development and results of these projects.

The plans and opportunities of the new plants for the production of raw materials and synthetics in the individual fields are well defined on the whole. It is hardly to be expected that any considerable changes, caused by unexpected research and development results, will occur in the Four Year Plan, at least at first.

Though the construction of new plants for the production of German raw materials and synthetics is the most striking measure of the Four Year Plan which must be started immediately, and though the research and development work necessary for this can be considered as practically finished, a further supplementary task arises which in the long run is not less important. It lies in the systematic examination and study of the various special fields to promote the change-over from the use of materials which cannot be produced in Germany or can only be produced syn-

thetically with difficulties here (for instance from metals), to new substitutes which can be produced synthetically. For instance, for decades according to custom, certain metals have been used for the construction of machines. The introduction of organic synthetics often produced the result (which even surprised the designer) that by it technical progress was made which, for instance, resulted in a reduction of power requirements of motors and increased durability of the bearings by the use of synthetic bearings, or in considerably increased stability and durability in the case of pipelines for chemical purposes. Thus it is shown that in technical science often the use of materials depending on foreign imports is continued whereas in reality it appears that exchange measures are feasible without difficulty and mean technical progress.

These further steps towards the solution of the question of German raw materials, such as the change-over from the use of foreign raw materials to German raw materials and synthetics, as well as the fixing of the final target, that is, to what extent the independence from foreign imports in each field concerned is to be demanded, necessitates a far more thorough study of each matter than was possible with regard to the immediate tasks. Department III has again been charged with the handling of these further tasks.

The preparatory work and current research and development work in the individual fields provide the Office for German Raw Materials and Synthetics with knowledge of even the most detailed ramifications of the raw material requirements of the individual fields. In a short time a very detailed picture of the flow of German raw materials in the various fields of German economy will be available as a result of this work. On the basis of the knowledge of this flow of raw materials, the questions of the change-over of requirements to substitute materials which actually tend to be questions of organization will become clear in detail. The proposals for organizational measures which are developing in this field will be examined as to their technical feasibility in accordance with the preparatory work for the construction of new plants for production and will be carried out in cooperation with the other competent authorities and branches of industrial economy.

This work of substitution requires the very special and understanding cooperation of all circles for its execution. Only if all our fellow-Germans are convinced of the importance and significance of the measures which are being developed here, and only if they are willing to accept gladly these changes in custom or requirements for the benefit of the nation which are of no sig-

nificance to the individual compared with the common objective, can the work of substitution get its true practical value on a larger scale. Therefore, these measures will have to be prepared especially carefully and in the closest consultation with the authorities concerned as well as with industry and economy, because these changes and conversions cannot help but affect the economic life of the field concerned to a greater or lesser extent. As with the taking up of production of new raw and synthetic materials, the quality and price limits of the field will have to be carefully considered when substitution measures are introduced.

To ascertain the flow of the German raw materials, a considerable amount of statistical data must, of course, be used. It is not so much the ascertaining of past conditions, but rather, the use of statistics (according to their final objective) for the evaluation of *future* developments by constant active contact with the branches of industry concerned, that counts.

For the handling of the various special fields of raw materials, coordinating groups, divided into various special departments [Referate], have been created within Department III. The group "Exhibitions" should be particularly mentioned in this respect with regard to the exhibition "Creative People" opened on 8 May 1937 in Duesseldorf, at which the new raw materials and synthetics and their use are shown in an especially clear way. Exhibitions should provide knowledge on as broad a basis as possible. Therefore exhibits of synthetics have an increased importance today. Because the office knows the requirements and importance of the problems connected with the various synthetics best, it has been entrusted with the supervision and arranging of all exhibitions of synthetics in Germany.

While the groups and Referate, staffed by personnel specially trained in the various specialized fields, do only the work necessary for the attainment of their fixed and unequivocal objective, two more special groups have developed within the department in the course of the work. Thousands of Germans have complied with the request of General Goering, and are actively participating in the work for the completion of the Four Year Plan by submitting proposals and suggestions. For the processing of these suggestions sent in, the amount of which has not been anticipated, the group "Inventions" has been created within Department III. This group screens and processes all these proposals beforehand. Though naturally a great part of these proposals cannot be considered for practical exploitation and has to be rejected after examination, a considerable amount of valuable and often surprising suggestions, which require detailed processing, is found among these data. This processing is being done by a number

of generally trained chemists and technicians in close consultation with the groups of the department in charge of the various matters. In each case, the proposal is handled jointly by the various experts and the testing agencies until a final clarification is reached. No sender of suggestions will remain without a reply giving detailed reasons, be they negative or affirmative. Each reply of an affirmative nature contains positive suggestions for the further development of the work of the sender. The legal and patent questions, questions of protection of inventions, etc., which often crop up are also being handled by the group "Inventions" together with the other competent branches of the Office and other authorities.

The second special group has the designation "Institutes and Experimental Agencies." It has the task of procuring and coordinating for the great objectives of the Four Year Plan all manpower available at colleges, state, and private research institutes and experimental agencies engaged in purely scientific research. This task shall, howver, not be interpreted to mean that from now on a fixed program will be laid down for the work of science and research. It is not in the least intended to curb the independence of pure research, the past results of which after all support present technical developments. Research should, however, be made familiar with the future tasks in the sphere of German raw materials and become aware of the objectives of this development. Thus science, on its part, too, can show everyone who is occupying himself with the acute questions, out of his own sense of responsibility, the means and opportunities for the use of their work within the Four Year Plan.

It is furthermore the task of the group "Institutes and Experimental Agencies" to create systematically a circle of experts and scientists for research tasks in the various special subjects, so as to be able to assign them at any time to the examination and appraisal of processes or proposals which are submitted to the office, if necessary. In this way scientific problems, which require immediate and urgent processing, can be channeled to that German research agency which is interested in their solution, in a very short time.

Thus the department "Research and Development" of the Office for German Raw Materials and Synthetics is endeavoring, in close collaboration with science and technology, to put the state of the scientific research and technical development into a tangible form, aiming at the construction of new plants for the production of raw materials and synthetics and the execution of substitution measures in the various special fields. It is also trying to guide

research and development towards the great tasks of the German raw materials industry.

PARTIAL TRANSLATION OF DOCUMENT NI–15013
PROSECUTION EXHIBIT 2072

EXTRACTS FROM AN ARTICLE BY DEFENDANT KUEHNE ENTITLED, "THE CHEMICAL INDUSTRY AND THE FOUR YEAR PLAN," 1 AUGUST 1938, CONCERNING THE TWO MAIN ASPECTS OF THE FOUR YEAR PLAN

[Handwritten note]
Rheinische Landeszeitung
Special Issue
1 August 1938

The Chemical Industry and the Four Year Plan by Dr. H. Kuehne*

* * * * * * *

Let us first consider some of these fields from two main aspects which are vital to a nation: *Achieving military preparedness and safeguarding physical life by means of food and clothing.* The conception of achieving military preparedness is closely allied with the motorization of Germany, although the latter is also being carried out for other reasons, such as making it possible for every German to have his own vehicle. The carrying out of the motorization program is closely connected with the safeguarding of German oil and motor fuel supplies. Formerly we were dependent for oil and gasoline on the products of the distillation of mineral oil, and it is well known that we only have small quantities of mineral oil in our own country. Only the success of gasoline synthesis has enabled us to approach the solution of this problem on a large scale. The hydrogenation process of the IG and the so-called Fischer-Tropsch process are two major technical processes which, based on coal (a basic material of which we have sufficient quantities), will enable Germany to supply all its own requirements of motor fuels in the very near future.

* * * * * * *

* This document, discovered in a folder entitled: "Dr. Kuehne, Articles for Periodicals," was found at Farben's Leverkusen plant.

TRANSLATION OF DOCUMENT NI–14569
PROSECUTION EXHIBIT 1970

CONFIDENTIAL FILE NOTE OF FARBEN'S ELECTRON METAL DEPARTMENT AT THE BITTERFELD PLANT, CONCERNING ALLOCATION OF ORDERS BY THE AIRPLANE INDUSTRY FOR IGEDUR AND HYDRONALIUM

Confidential

[Handwritten Note] To be filed

FILE NOTE[1]

Visit of Dr. Jungck on 15 July 1938 in the *RLM* (Reich Air Ministry)

Present: Mr. Deppe of LLW, Rackwitz
Mr. Bothmann of Aken
Mr. Keinert
Mr. Mueller

Dr. Jungck had asked us to a conference in order to inform us on the allocation of orders for semifinished Igedur and Hydronalium products on the part of the airplane industry.

1. *Igedur—allocation* (tubing, rods, sheet metal, bands, wire for riveting)

Firm	*Monthly quantity*
B.F.W.	24 tons
Heinkel, Rostock	13 tons
Junkers	50 tons
	87 tons

of which about 75 percent would be utilized for rolled, and the rest for pressed, semifinished material; that is, about 66 tons sheet metal and about 21 tons pressed semifinished products.

2. *Hydronalium.*[2] We have been assigned to provide 100 percent of the requirements of the airplane factories, with the exception of—

[1] This file note was first marked for identification during the cross-examination of the defense witness Erhard Milch, who held among other positions, that of State Secretary in the Reich Air Ministry and Inspector General of the Air Force. His testimony is recorded in the mimeographed transcript, 15 January and 5 March 1948, pp. 5296–5347, and 8535–8550.

[2] The minutes of the meeting of Farben's Vorstand held on 9 January 1942 state the following concerning one of the hydronalium alloys: "In the following discussion [the defendant] Buergin states that duralumin, which has dominated the market for more than 40 years, will, upon orders of Field Marshal Milch, now be replaced in airplane construction by Hy 43-alloy (Al-Mg-Zn) which has been developed by I. G. and the German Research Institute for Aeronautics. Thus, a goal has been reached for which we have been working for 6 years." (*NI–8074, Pros. Ex. 1971,* not reproduced herein.)

Blohm & Voss	90 percent, the balance VLM
Arado	90 percent, the balance Dueren
Heinkel, Rostock/ Oranienburg	90 percent, the balance Hirsch-Kupfer

Questioned regarding Elektron metal, Dr. Jungck replied that the furnishing of Elektron metal has been assigned to us with the exception of a small quantity of rods to be delivered by Wintershall.

Dr. Jungck confidentially handed over to us the survey attached to this note, showing the number of engines to be built by the firms B.F.W., Heinkel, and Junkers in the years 1938, 1939, and 1940, and of which the quantities of semifinished material to be delivered by us will be a part.

We will be informed by Herr Huettner by about the middle of this week, which quantities and which kind of semifinished material will be required for the individual engines. The total requirement of Dural for the German airplane industry is about 1300 tons per month.

Bitterfeld, 19 July 1938 — Elektron Metal Department

Distribution list:
Mr. Deppe, LLW
Mr. Fiedler
Dr. Ostermann
Mr. Keinert
Files.

Number of machines for—

	1938			1939												1940		
	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3
B.F.W.																		
BF 110 C	6	10	15	21	23	25	25	25	25	26	26	26	26	26	26	26	26	26
BF 109 E	14	14	17	20	23	23	23	23	21	20	20	20	20	20	20	20	20	20
BF 108	21	21	21	21	21	21	10	10	10	10	10	10	10	10	10	10	10	10
Heinkel																		
He 111 P	18	18	18	16	16	16	16	16	20	20	20	20	20	20	16	16	15	10
He 111 D	2	2	2	4	4	4	4	4										
Junkers																		
Ju 87 B	25	22	22	25	25	25	20	15	15	15	10	10	10	10	10	10	10	10
Ju 88		1	1	2	3	4	5	8	12	16	20	25	30	35	40	40	40	40
Ju 52	35	38	42	46	50	51	50	50	50	50	50	50	50	50	45	45	45	45
Total	121	126	138	155	165	169	153	151	153	157	156	161	166	171	167	167	166	161

Bitterfeld, 19 July 1938.

TRANSLATION OF DOCUMENT NI-10628
PROSECUTION EXHIBIT 2013*

EXCHANGE OF CORRESPONDENCE BETWEEN DEFENDANT HAEFLIGER AND ZIEGLER OF FARBEN'S ELECTRON METAL DEPARTMENT, NOVEMBER 1938, CONCERNING THE DEVELOPMENT OF GUN CARRIAGE WHEELS MADE OF ELECTRON METAL

1. *Memorandum from Defendant Haefliger, 5 November 1938*

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT,
FRANKFURT (MAIN) 20

Sales Combine Chemicals

Dir. Hae/L

5 November 1938

Strictly Confidential

Notice

for Mr. Ziegler, Electron Metal Department, Bitterfeld

During yesterday's reception held in honor of Minister von Glaise-Horstenau in the Frankfurter Hof, I made the acquaintance, amongst others, of a representative of the military economy, who told me confidentially that recently he had inspected the magnesium plant of *Wintershall.* I would like to give you briefly further information about this by telephone.

I also heard from the same gentleman that the *experiments with artillery (gun carriage) wheels* [Artillerieraeder] made of magnesium metal, including those for large guns, were very favorable, and that it was to be expected that they would be generally introduced. The price of the magnesium wheel was still several times as high as that of the wooden wheel, and the weight was also somewhat greater, but it had been proved that when guns were attached to trucks, at a certain speed the wooden wheels could not stand the strain very long, while magnesium wheels lasted very well. This is decisive. Question: Have we done anything in this field?

dictated by Herrn Haefliger.

2. *Letter from Ziegler, 9 November 1938*

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT,
BITTERFELD

[Stamp:]

Management, Dept. Chemistry
Received 10 November 1938

* This exhibit was introduced during the cross-examination of the defendant Haefliger.

Bitterfeld
9 November 1938
ZI/Poe

Strictly Confidential

To Director P. Haefliger
Sales Combine Chemicals
Frankfurt/Main

Re: Your notice of 5 November 1938/ gun carriage wheels made of Electron metal

We had already started to develop the above field of application before the revolution [Umbruch]; since 1934 wheels of this type have been in mass production. The turnover increased from year to year and at the present amounts to about 4–500 tons per annum.

An interesting point about the development of this matter is the fact that the first models were designed quite independently by us, cast in our foundry, and made ready for assembly in our light construction workshop, but that at that time they were refused by all experts, in the Army Ordnance Office as well as in the armament firms, as being absolutely out of the question for the time being. It took us more than a year to even succeed in having these wheels mounted on a gun and tested on an obstacle course. At the time we also tried to have them patented, or at least to have the design protected, but unfortunately did not succeed. In the meantime, we have developed approximately 5–6 types of wheels for artillery, which have been standard equipment of the German Army for years. We also succeeded in obtaining permission for these designs to be offered on markets abroad, in which we have been very successful for instance, in Italy and France, and lately, particularly in Sweden. Today it should be an established fact that making of gun carriage wheels from Electron is not at all a question of substituting materials; the latter question was not at all pressing at the time when we developed this.

In this way we have been able to prove definite technical superiority in this specific field of application, which is being recognized increasingly abroad. We are not competing with the wooden wheels, which can be used only for horse-drawn vehicles and guns of less than 105 mm. calibre, as much as we are, above all, competing with the wheels made of steel and used for medium and heavy artillery, which today is completely motorized. Wheels up to 2 meters in diameter, which are cast in one piece with brake drum attached, are no rarity. In view of this good experience, new developments have, of course, been attempted; for instance,

parts for gun carriages and others, some cast and some forged, but these are to be kept absolutely secret for the time being. As a matter of principle, every new development is considered by the Army Ordnance Office as secret, and it is only when a certain degree of mass production has been carried out, that authorization is given, in each individual case, to convey the information to interested third parties. Foreign countries which have been spurred on by the encouraging experiences with the wheels, are also working independently on their own. About 2 weeks ago, when I was visiting the well-known gun factory Bofors in Sweden, I had the opportunity to inspect a light 25 mm. antitank and antiaircraft gun, which was brought out for its first firing tests. Except for the barrel and the breech, practically all its parts, even those which are subjected to the greatest strain, were made of Electron metal. For Bofors, the Swedish requirements represent only a secondary part of their manufacture; the firm delivers almost exclusively abroad, e.g., to Holland, Belgium, and the South American countries, so that the penetration of our material in this territory will soon be known all over the world. I then invited the chief engineer of Bofors to visit Bitterfeld, where new ideas for construction were to be tested again with the people we have in charge there. Representatives of the Army Ordnance Office took part in this discussion, likewise at our suggestion, which indicates that we are, as much as ever, leading in this field.

We welcome the fact that our sales market extends from providing the requirements of the Luftwaffe (which are still predominant) to the Army as well, where the volume as regards quantities is highly interesting, and also, with respect to Hydronalium, the Reich Navy shows an ever growing interest in our products; yet we realize that all this is only for armament, which must be replaced in the course of the years by more peaceful fields of employment if we are to go on exploiting our capacities to the full as we do today. We shun no sacrifice in order to make experiments which can bring about technical progress as well as bright economic prospects. I believe, however, that for our light metals, the armament industry will probably still be the most important factor in the next years.

As regards the information sent you about Wintershall, I will telephone you when you have received my letter, in case you have any more questions about it.

With kind regards,

Yours,

[Signed] ZIEGLER

PARTIAL TRANSLATION OF DOCUMENT NI–15080
PROSECUTION EXHIBIT 2121

EXTRACT FROM THE MINUTES OF THE FOURTH MEETING OF FARBEN'S MANAGING BOARD, 16 SEPTEMBER 1938

[All the members of the Vorstand were present with the following exceptions: Jacobi, Weber-Andreae, and the defendants Krauch, Mann, and Brueggemann]

* * * * * * *

Point 5 of the Agenda:

Hydrogenation and Oils

* * * * * * *

Finally, Dr. Buetefisch * reports about the present fuel situation in Germany and also about the nitrogen situation. As concerns nitrogen, production hardly keeps pace with the increased requirements.

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT WIR–29
GENERAL DEFENSE EXHIBIT No. 220

EXTRACTS FROM DECREE TO ASSURE THE LABOR SUPPLY FOR TASKS OF SPECIAL NATIONAL IMPORTANCE, 13 FEBRUARY 1939

1939 REICHSGESETZBLATT, PART 1, PAGE 206

Decree to Assure the Labor Supply for Tasks of Special National Importance, 13 February 1939

The carrying out of urgent duties of particular significance for the state may not be endangered by a lack of personnel. If such duties are to be carried out it must be possible to draw the inhabitants of the Reich territory into the work and to tighten the regulations compelling them to stay in their place of work.

Pursuant to the ordinance for carrying out the Four Year Plan of 18 October 1936 (RGB1. I, page 887) I, therefore, decree the following:

Section I

Duty to Perform Compulsory Service

Article I

(1) For duties which the Plenipotentiary for the Four Year

* The defendant Buetefisch, in addition to his duties as a Vorstand member principally concerned with Sparte I, was the chairman of the Technical Committee of the Nitrogen Syndicate, and chairman of the Technical Experts Committee of the International Nitrogen Conference [sic].

Plan designates as specially important and urgent, the Labor Office can conscript inhabitants of the Reich territory for compulsory service. For this purpose, the Labor Office can take workers from private and public enterprises and administrative offices.

(2) If they are exempted through international agreements or through recognized provisions of international law, foreign citizens are not to be conscripted.

Article 2

(1) Labor draftees, who are employed and are only conscripted for a certain time, are considered as being on leave of absence. During this leave of absence the conscripted person must not be dismissed from the job he held up to that time. The conscripted person cannot claim wages or any other compensations from his regular employer during his leave of absence.

The time spent for conscript duties, performed by virtue of this decree, is considered as service on the regular job.

(2) If a person is conscripted for an unlimited period, his present work contract is terminated.

(3) The labor draftee, in the execution of conscript duties, is subject to the wage scale agreement, and the factory or service regulations of the new working place.

(4) If a person, conscripted for an unlimited time loses his claims resulting from his former work contract, and these claims are not compensated by claims derived from the new contract, the new employer can be compelled to indemnify the conscripted person in order to avoid special hardships.

(5) A work contract can be terminated only with the consent of the Labor Office.

Article 3

The conscripted person can be requested to undergo training as preparation for his job.

Article 4

(1) The conscripted person, upon request of the Labor Office, has to submit all necessary documents and to give all information required. The Labor Office can also request the personal appearance of the conscripted person.

(2) The conscripted person has the duty and the right to use upon the request of the Labor Office objects which he has in his possession or in his custody in the performance of his service.

* * * * * * *

Section II

Restrictions Imposed on Changing Places of Work

Article 7

(1) The Reich Minister of Labor, for special political reasons, may make the termination of work contracts dependent on the approval of the Labor Office even in cases other than those covered by Article 2, paragraph 5.

(2) He may also decree that the employment and recruiting of workers and employees is dependent on the consent of the Labor Office.

Section III

Final Provisions

Article 8

All public and private enterprises and administrative offices are obliged to comply with the request of the Labor Offices directed to them in the execution of this decree. These requests can either concern an individual case or general matters.

Article 9

The Reich Minister of Labor will issue the regulations required for the execution and supplementation of this decree. He also can take all measures in the sphere of labor law, the protection of labor and Reich insurance necessary for the execution of this decree.

Article 10

This decree will take effect on the day of its promulgation. At the same time the following decree will become ineffective:

The decree relating to the assuring of labor for tasks of special national importance of 22 June 1938

(RGB1. I, page 652).

* * * * * * *

Berlin, 13 February 1939

The Plenipotentiary for the Four Year Plan

GOERING

Field Marshal

TRANSLATION OF DOCUMENT EC-144
PROSECUTION EXHIBIT 602

MEMORANDUM FROM FARBEN FILES, FEBRUARY 1939, CONCERNING PROGRESS IN THE SUPPLY OF CHEMICAL RAW MATERIALS FROM 1933 TO 1939

[Handwritten Note]
Handed to Major Dref on 15 February 1939
Thi
[Regierungsrat Thierer of the OKW]

Progress made, since the seizure of power in 1933, in the procurement of chemical raw materials, especially through the execution of the Four Year Plan

Owing to the very limited military potential in the year 1933, only the very center of Germany—in the West extending up to the Weser River (consequently excluding the Ruhr area)—could be included in the procurement plans of the military economy. This, as far as national defense was concerned, resulted in a hopeless situation in the field of chemical industry as well as other fields. Since regaining our right to rearm, our military power has increased, which automatically brought about a considerable improvement in this realm, because gradually important chemical plants, formerly situated in the border zone, could be regarded as safe, and because the chemical industry, especially as the Four Year Plan progressed, was expanded considerably. The progress of this expansion is shown by a few examples:

Sulphur, found as a natural product in tremendous quantities in Italy and in the United States, was in Germany, up to some time ago, a product which had to be imported at an average rate of 50,000 tons, and in 1938 even 80,000 tons. We do not have any sulphur deposits in Germany, but German coal contains a little sulphur (about 2–5 percent). These amounts of sulphur, during the coking process, formerly became part of the waste gases and were burned with them. We can find the same waste gases, containing sulphur, in the hydrogenation plants, which have been established in the course of the extension of German mineral oil production. The obvious next stop was to extract from these waste gases the sulphur they contain, similar to the former procedure of extracting ammonia, tar, benzene, etc. Tremendous progress, especially through the Four Year Plan, has been made through the desulphurization installations, which work according to all sorts of processes. The increase in [sulphur] consumption in Germany and the increase in our own sulphur

production can be seen from the enclosed chart (Encl. No. 1). Inasmuch as sulphur, in the form of carbon disulphide, is used in the production of cellulose fiber, and as 80 percent of the German sulphur supply is utilized in the form of carbon disulphide, it is easy to understand the importance of Germany's self-sufficiency with respect to sulphur. Moreover, it might be possible to consider using sulphur for the production of sulphuric acid, if sulphur is produced in larger quantities in Germany.

Up to now, *sulphuric acid* has been produced mainly by the roasting [Abroesten] of pyrites, of which Germany can only cover about one-fifth of its own demand. The remaining four-fifths were imported, mainly from Spain. In the chemical industry, sulphuric acid has a similar importance as iron has in the machine and construction industry; therefore, any progress in the raw material supply from indigenous sources is welcome from the point of view of military economy, especially as sulphuric acid has become indispensable in the production of powder and explosives, as well as in the mineral oil and fertilizer industry. Thus, the German chemical industry resumed the development of plans which had been executed during World War I because of the lack of raw materials, namely the production of sulphuric acid from German gypsum. One plant for the production of sulphuric acid on the basis of gypsum is already working very satisfactorily. This plant for the production of sulphuric acid from gypsum also produces, as a byproduct, cement, which is very much in demand at this time. In this connection, attention can be drawn to another important raw material used for the production of powder and explosives, namely nitric acid.

Nitric acid, in contrast with previous processes, is nowadays produced through the decomposition of saltpeter, particularly Chile saltpeter [sodium nitrate], with the aid of sodium sulfide, through combustion of ammonia by means of oxygen or air. Since the seizure of power, the productive capacity of the installations, which are of special interest to the military economy, has increased approximately tenfold.

Another very important raw material of the chemical industry is *rubber.* Rubber, at first a natural product procured exclusively abroad, can now, as is generally known, be replaced extensively by synthetic products. In this connection, the synthetic products, as for example buna, are already, in many ways, showing advantages over natural rubber. About 25 percent of the German demand for rubber can be covered this year by synthetic rubber. The raw materials needed for this product are, apart from electric power, coal and chalk, of which there is no lack in Germany.

During these last years, a number of other synthetic products

in addition to buna have steadily increased in importance. The plastic materials, made on the basis of phenol and cresol—also byproducts of the coking process—have been used for a long time in electrical engineering, in machine construction, household goods, etc. The increase in production can be estimated at from 10,000 tons a year in 1934, to about 30,000 tons a year in 1939. In addition, synthetic materials have also been developed on the basis of other raw materials. Of special importance are synthetics produced on the basis of carbide (ethylene). Whereas production of this kind was introduced to the chemical industry only a few years ago, production within the framework of the Four Year Plan program will have increased to about 15,000 tons this year. Considering that with these synthetic materials, we can replace valuable scarce metals, rubber, rare foreign woods, etc., makes it possible to appreciate their real significance for any military economy.

The supply of textiles requires special attention, as wool and cotton are almost exclusively imported products. The rapid expansion of the synthetic wool industry and the constant improvement of cellulose wool, which is nowadays an acknowledged new textile raw material, has resulted in quite a remarkable improvement of the situation in this field of raw materials. In 1933 cellulose wool production reached 5,000 tons which served only 75 percent of the total German textile fiber requirements whereas now it can be assumed that present cellulose wool production is sufficient to cover 25 percent of the entire raw material requirements of the clothing industry. The preliminary material for cellulose wool production is cellulose which, in addition, is used for paper production and is necessary as a basic product for powder production. Up to now fir wood cellulose [Fichtenholzzellstoff] has mainly been used, which necessitated considerable imports of fir wood, whereas in future the supply of cellulose will be improved by the greater use of indigenous beech and pine wood, and also of straw.

As to its methods of production, the fields of mineral oils and fuel also fall within the chemical industry. At the time of the seizure of power, all that was available, besides a small output of German petroleum, were benzene, a by-product obtained in coke plants, the alcohol which developed during the fermentation process, and one installation for the production of hydrogenated gasoline. In 1932, we could count on a mineral oil production with indigenous raw materials totaling 800,000 tons. The main part of the fuel used in Germany was imported. The motorization program specially promoted in Germany by the Fuehrer, and the increase in fuel consumption of all kinds caused by it, caused

German production to be enlarged to such an extent that the output of fuel can now be estimated at a total of about 2,300,000 tons. The main reason for this increase is the tenfold increase in the capacity of hydrogenation and synthetic production plants. The goal of procuring the entire German fuel requirements through domestic production has not yet quite been reached, because the demand has exceeded production, owing to the completely unexpected increase in motorization.

[Handwritten] Thi 15/2

[Regierungsrat Thierer of the OKW]

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14 February 1939

Re III d [Raw Material Department III d]

In 1932 mineral oil production from indigenous raw materials amounted to—

50,000	tons of	petroleum and gasoline from low-temperature carbonization.
100,000	tons of	hydrogenated gasoline.
220,000	tons of	benzene.
140,000	tons of	spirit [Sprit].
Total 510,000	tons of	carburetor fuel.
65,000	tons of	Diesel fuel.
165,000	tons of	fuel oil.
60,000	tons of	lubricating oil.
Total 800,000	tons of	mineral oil.

[Note: Above two tables were crossed out in original]

In contrast thereto, present production is estimated at a total of about 2,300,000 tons a year, as follows:

900,000	tons of	hydrogenated gasoline.
150,000	tons of	"Fischer" gasoline.
120,000	tons of	petroleum and gasoline from low-temperature carbonization.
450,000	tons of	benzene.
100,000	tons of	spirits [Spiritus].
Total 1,700,000	tons of	carburetor fuel.

[Note: Above table crossed out in original]

100,000	tons of	Diesel fuel.
300,000	tons of	fuel oil.
150,000	tons of	lubricating oil.

The main reason for this expansion is the tenfold increase in the capacity of hydrogenation and synthetic production plans.

As a result of the large-scale motorization, which could not be anticipated to that extent, the carburetor fuel requirements of 1,200,000 tons per year have more than doubled in the years 1932–1939.

PARTIAL TRANSLATION OF DOCUMENT WIR–33
GENERAL DEFENSE EXHIBIT 224

EXTRACTS FROM THE DECREE OF 1 SEPTEMBER 1939, THE DAY OF THE INVASION OF POLAND, LIMITING CHANGES OF EMPLOYMENT

1939 REICHSGESETZBLATT, PART I, PAGE 1685

Decree concerning restrictions on changing places of employment September 1939

The Ministerial Council for Reich Defense decrees with affect of law:

Section I

Dissolution of Employment Contracts

Article 1

(1) Plant managers, workers, employees, apprentices, trainees, and unpaid apprentices may give notice for the termination of an employment contract (apprenticeship contract) only if the Labor Office has agreed to the dissolution of the employment contract.

(2) A notice of termination without previous approval is legally ineffective, unless the Labor Office subsequently approves of the dissolution in exceptional cases.

* * * * * * *

Article 2

An approval according to Article 1, paragraphs 1 and 2 is not required,

1. if the contracting parties are agreed upon the dissolution of the employment contract;

2. if the enterprise (building project) has been forced to shut down;

3. if the workers, employee or apprentice has been hired temporarily or on probation and the employment contract (apprenticeship contract) will be terminated within a month.

* * * * * * *

Berlin, 1 September 1939

The Chairman of the Ministerial Council for Reich Defense

GOERING

Field Marshal

The Reich Minister and Chief of the Reich Chancellery

DR. LAMMERS

PARTIAL TRANSLATION OF DOCUMENT WIR-15
GENERAL DEFENSE EXHIBIT 206

EXTRACTS FROM THE DECREE OF 4 SEPTEMBER 1939, CONCERNING THE REGULATION OF WAR ECONOMY AND PENALTIES FOR CONDUCT DETRIMENTAL TO THE WAR

1939 REICHSGESETZBLATT PART I, PAGE 1609

War Economy Decree of 4 September 1939

The protection of the boundaries of the Fatherland requires the greatest sacrifices of every German citizen. The soldier offers his life for his homeland. In comparison with the magnitude of his sacrifice it is but the obvious duty of every citizen at home to make available to the people and the Reich all his power and means to ensure the continuation of a well regulated economic life. In addition everyone must accept necessary restrictions on his manner of living. The Ministerial Council for Reich Defense decrees therefore with legal effect:

Section I

Conduct detrimental to the war effect

(1) Whoever destroys, removes, or hoards raw materials or products which are of vital necessity to the population and hereby maliciously endangers the supply of these goods will be punished with imprisonment or hard labor. In particularly serious cases the death sentence may be imposed.

(2) Whoever hoards notes without justified reason will be punished with imprisonment and in specially serious cases with hard labor.

* * * * * * *

Section IV

War Time Prices

Article 22

Prices and compensations for goods and services of any kind must be governed by the principles of the war economy.

* * * * * * *

Article 24

There should be no increase in the price of goods and services of any kind because of raw or auxiliary materials, freight charges, or other expenses, the utilization or expenditure of which is due solely to the special demands of one branch of the economy but which, with respect to type, quantity, and source of supply, are not compatible with the principles of economic efficiency.

* * * * * * *

Article 30

The decree takes effect on the day of its promulgation.

Berlin, 4 September 1939

The Chairman of the Ministerial Council for Reich Defense

GOERING
Field Marshal

The Deputy of the Fuehrer

R. HESS

The Plenipotentiary General for the Reich Administration

FRICK

The Reich Minister and Chief of the Reich Chancellery

DR. LAMMERS

The Chief of the High Command of the Wehrmacht

KEITEL

3. TESTIMONY OF DEFENDANT KRAUCH

EXTRACT FROM THE TESTIMONY OF DEFENDANT KRAUCH[1]

DIRECT EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): And now, let me discuss one point in connection with the examination of Goering's State Secretary, Koerner, who appeared here as a witness for the prosecution. During cross-examination, when Koerner was heard[2] on the meaning and purpose of the Four Year Plan, mention was made of a memorandum of Hitler's referring to the Four Year Plan, dated 1936. This memorandum was offered into evidence as Prosecution Exhibit 411 [Document NI–4955].[3] Would you briefly define your attitude towards the contents of this memorandum? My first question: Did this memorandum

[1] Further extracts from the testimony of the defendant Krauch are reproduced above in subsection C 5 and below in subsections G 7, H 4, I 7, L 3, and N 5, and in sec. IX F 1, vol. VIII, this series.

[2] Counsel refers to redirect examination of Witness Koerner (defendant in the Ministries case). See tr. p. 2284.

[3] Reproduced in part above in subsection F 2.

come to your attention in the year 1936 when the Four Year Plan was being announced?

DEFENDANT KRAUCH: No.

Q. When did it come to your attention?

A. I first learned of this memorandum here in Nuernberg, as a document of the prosecution.

Q. You have been able to read that document?

A. Yes.

Q. Would you define your attitude briefly toward the content which has since come to your attention?

A. I would not conclude from this document that Hitler, with the creation of the Four Year Plan, had intended an aggressive war; this memorandum is merely a confirmation of what I learned at that time about the aims of the Four Year Plan.

Q. The prosecution, when discussing this document among other matters, emphasized the concept "Lebensraum" [living space], which had become a slogan in Germany and which had to be fought for. Please tell me your opinion, whether, according to the situation as it prevailed at that time, the quotation of this word points to aggressive intentions.

A. No; at that time one thought of the regaining of the colonies of which Germany was deprived as a result of the Versailles Treaty; colonies which were absolutely able to bring about raw materials for purposes of Germany and also to procure work for Germans. It was generally known that negotiations were to be carried on with England with respect to the regaining of the colonies.[1]

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4. TESTIMONY OF DEFENSE WITNESS KUEPPER

EXTRACTS FROM THE TESTIMONY OF DEFENSE WITNESS KUEPPER[2]

DIRECT EXAMINATION

* * * * * * *

DR. SIEMERS (counsel for defendant von Schnitzler): I ask you to give me details concerning your professional career with special consideration of your position in Farben.

WITNESS KUEPPER: In the year 1923, I joined one of the predecessor firms of Farben under ter Meer, as a legal expert. In

[1] Further testimony of defendant Krauch concerning the Four Year Plan is included at the end of the next section which deals more extensively with Krauch's role in the Four Year Plan.

[2] The complete testimony of Kuepper as a defense witness is recorded in the mimeographed transcript, 28 and 29 January 1948, pp. 5976–6051. Kuepper also testified for the prosecution and his testimony is recorded in the mimeographed transcript, 13 and 28 October 1947, pp. 1933–1942; and 2896–2934.

the year 1930, I was transferred to Frankfurt and there I became a jurist in the so-called "Legal Department Dyestuffs" which was legal consultant for the entire dyestuffs sales agency, that is, the Sales Combine Dyestuffs. Around the end of 1938, I became Director of this Legal Department Dyestuffs. Besides that, I was in charge of insurance matters for Farben and its own insurance company, the Pallas G.m.b.H. Konzernversicherung.

* * * * * * *

Q. In connection with wars of aggression, the prosecution has submitted two documents giving Goering's speech of 17 December 1936, in the "Preussenhaus." This speech is reproduced in Document NI–051, Prosecution Exhibit 421.[1] It is headed: "Minister President General Goering on the Execution of the Four Year Plan." May I ask you: Do you know Goering's speech in this form? Do you know this document?

A. I do not.

Q. To save time, I asked you to look at this document beforehand. Do you recall that Goering made such a speech at that time?

A. I recall it only because this speech contains the notorious concluding words: "We are already on the threshold of mobilization and are at war—only the guns are not yet being fired." That is the only sentence that I remember from this speech.

Q. Now, the prosecution has submitted the record of the meeting of the Dyestuff Committee of 22 December 1936—that is, Document NI–4192, Prosecution Exhibit 423.[2] This meeting was presided over by Dr. von Schnitzler. On the first page is a list of those present, and you are one of them. This document contains only excerpts. It is a very long record. The prosecution has quoted the opening sentence: "Herr von Schnitzler gave a highly confidential report about the statements by the Fuehrer and Reich Chancellor as well as by Minister President General Goering on 17 December in Berlin concerning the tasks of the German economy in the execution of the Four Year Plan."

Do you recall that Schnitzler reported to the Dyestuffs Committee on this speech, and will you please explain what the words "strictly confidential" in the minutes mean?

A. That this speech was held in the Dyestuffs Committee I did not remember—

Q. Pardon me for interrupting you. The speech was not made in the Dyestuffs Committee.

A. That a report was made on this speech in the Dyestuffs Committee I did not remember until I saw these minutes of the

[1] Reproduced in 2 above.

[2] Reproduced in part above in this section.

Dyestuffs Committee. If it is noted here that Dr. von Schnitzler's report was strictly confidential, in my opinion that means nothing special. If a report was made on speeches which have not been made public yet, speeches of leading government personalities, then the word "confidential" or "strictly confidential" was put in the record. Also these expressions "confidential," "strictly confidential," even "State Secret," etc., were greatly misused. In the last few years of my activity I hardly saw a single document which did not have a red stamp on it, "This is State Secret," even if it was the most harmless matter possible.

Q. You have just spoken of speeches which were not made public. Do you recall whether this speech was published?

A. I know that that speech was published, because I remember the quotation that "only the guns are not yet being fired," and I remember that it was generally discussed by the public at the time.

Q. This quotation which had such a pregnant effect, did von Schnitzler report about it at this particular meeting in question?

A. That is possible, but I do not remember it.

Q. Do you believe Mr. Kuepper, that you would remember it if it had been reported since it is a fairly pregnant quotation?

A. I cannot say that because my remembrance of this speech can just as well come from the newspapers or general talk about this speech at the time.

Q. With respect to this sentence which has been quoted, was Goering's speech considered a war speech; a preparation for aggressive warfare?

A. No, at least not by me. Otherwise I would have been able to take entirely different steps in my special work at that time. This was the time when I was fighting a bitter struggle with the English, to induce them to continue taking charge of Farben's insurance, and even after this speech, I renewed this reinsurance. If there had been any talk of a war of aggression at that time, I certainly would not have done so. If I were informed about intentions of an aggressive warfare and I had still invested in insurance in England, I would rightly have been dismissed.

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CROSS-EXAMINATION

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MR. SPRECHER: Now, I would like to search your memory on one point which should be of some assistance to us, concerning Goering's speech which you and Dr. Siemers discussed yesterday. The prosecution has not found any copy in the German publications at its disposal, but we could be wrong. Do you remember

in what newspaper or other periodical it appeared, Dr. Kuepper?

WITNESS KUEPPER: No, I cannot tell you that, but if such a speech was published at that time, then it was printed in practically all the newspapers. I know that it was published from the fact that the final remark, "Only the guns are not yet being fired" was a byword in Germany.

Q. Well, was that—did the publication take place before or after the time von Schnitzler—the defendant von Schnitzler—reported to you about the meeting with Hitler and Goering? Was it published afterwards or before that time?

A. I do not know that any more.

MR. SPRECHER: No further questions.

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REDIRECT EXAMINATION

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DR. SIEMERS (counsel for defendant von Schnitzler) : One word about the Goering speech. You said that it was in all the newspapers. Do you happen to recall the fact that the speech was published in the "Times"?

WITNESS KUEPPER: No, I do not recall that.

Q. Regarding the final sentence of this speech which has already been quoted twice here, I have one question. You said that this sentence was generally discussed; it was not taken seriously. Is it true that Goering's bombastic manner of speaking was ridiculed, and especially his favorite method of speaking of economic conditions with military figures of speech?

MR. SPRECHER: Objection. It is improper redirect.

PRESIDING JUDGE SHAKE: It is leading and suggestive. Counsel should leave the witness free to draw his own conclusions rather than to suggest what the answer should be. Objection sustained.

MR. SPRECHER: Mr. President, I had a further point. Maybe I can save time. On cross-examination I merely asked the question about its publication because we were anxious to find out when it was published. I didn't go into it any further on cross-examination and, therefore, I think the topic is beyond the scope of redirect.

PRESIDING JUDGE SHAKE: Very well.

Q. Do you recall any other statements of Goering made in a similar manner?

A. No, but in all his speeches he was even more than bombastic.

* * * * * * *

G. The Krauch Office. The Karinhall or Krauch Plan and its Later Modifications

1. INTRODUCTION

The defendant Krauch was the first defendant named in the indictment and the first defendant discussed in the judgment of the Tribunal (sec. XIII, vol. VIII, this series) under the charges of crimes against peace. Throughout the time that Krauch was an official of the Four Year Plan (1936 until Germany's collapse in 1945), he remained an official of Farben. Until 1940, he was a member of Farben's Vorstand and thereafter he was chairman of Farben's Aufsichtsrat. The greater part of the specifications of subdivision C of count one of the indictment, "Farben Participated in Preparing the Four Year Plan and in Directing the Economic Mobilization of Germany for War," related to the defendant Krauch, the development of the Reich Office for Economic Development (the Krauch Office), Krauch's position as Plenipotentiary General for Special Questions of Chemical Production (commonly referred to by the abbreviation "Gebechem"), the formulation and execution of various plans for accelerated production in chemistry and related fields, and the allegedly preeminent position of the Krauch Office and Farben in furthering these various plans as important parts of the Four Year Plan.

Whereas the preceding subsection, "F. The Four Year Plan," contains evidence dealing with the Four Year Plan in general, the present subsection deals more particularly with the relation of the Krauch Office and Farben to the execution of important parts of the Four Year Plan and to related developments. The evidence included at this point has been arranged as follows: affidavit and testimony by Prosecution Witness Ehrmann concerning the Krauch Office (2 below); testimony of defendant ter Meer concerning Farben's role in the autarchy and rearmament program and Krauch's position in Farben and the government (3 below); testimony of Defendant Kuehne concerning appointments to the Krauch Office (4 below); a large number of contemporaneous documents (5 below); an interrogation of Speer, former Reich Minister for Armaments and War Productions, concerning Krauch's position during the war (6 below); and the testimony of the defendants Krauch and Ambros (7 below).

2. AFFIDAVIT AND TESTIMONY OF PROSECUTION WITNESS FELIX EHRMANN CONCERNING THE REICH OFFICE FOR ECONOMIC DEVELOPMENT, THE PLENIPOTENTIARY GENERAL FOR SPECIAL QUESTIONS OF CHEMICAL PRODUCTION, AND THE KRAUCH OFFICE

TRANSLATION OF DOCUMENT NI–4952
PROSECUTION EXHIBIT 464

AFFIDAVIT OF DR. FELIX EHRMANN CONCERNING THE KRAUCH OFFICE, 13 MARCH 1947*

I, Dr. Felix Ehrmann, residing at Baddeckenstedt, District of Wolfenbuettel in the British Zone of Occupation, having been advised that by making any false statements I will become liable to punishment, hereby voluntary declare the following under oath and without having been subjected to any duress:

The functions of the Plenipotentiary General for Special Questions of Chemical Production on one side, and of the Reich Office for Economic Development on the other side, were closely interlinked and their tasks were always overlapping. Dr. Carl Krauch was at the head of both organizations mentioned, and so it happened that both of these organizations were often simply called "Krauch Office."

This "Krauch Office" distinguished itself from all other authorities by the fact that it availed itself quite independently of persons who were not officials, but acted in an honorary capacity. These honorary people were outstanding personalities in industry, and in every respect far superior to the paid employees of the Krauch Office. The policy followed by the Krauch Office was not decided by the paid staff, but by the honorary representatives of the industries.

The majority of these persons acting on an honorary basis, approximately up to 90 percent of the total number, were representatives of the I.G. Farbenindustrie.

The influence and importance of these honorary persons in the entire economic life was enormous, and the various business enterprises were eager to obtain appointments for their people in the Krauch Office.

I have carefully read this one page of this affidavit and signed it with my own hand. I made the required corrections with my own hand and initialed them with the first letters of my name, and I herewith declare upon oath that I have said the pure truth in this statement to the best of my knowledge and belief.

[Signed] FELIX EHRMANN

* The cross-examination of Ehrmann concerning this affidavit appears immediately below.

EXTRACT FROM THE TESTIMONY OF THE PROSECUTION WITNESS DR. FELIX EHRMANN[1]

CROSS-EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): Would you now turn to Document NI–4952, Prosecution Exhibit 464,[2] English Book 21, page 184; German Book 22, page 42. Under paragraph 4 of this affidavit you say, and I quote: "The majority of these persons acting on an honorary basis, approximately up to 90 percent of the total number, were representatives of the IG."

Is this figure based upon an exact survey of the individual gentlemen in honorary offices, or is this merely an estimate on your part?

WITNESS EHRMANN: This is an estimate which was based upon the impressions gained from negotiations carried on within the office as well as from negotiations of other agencies.

Q. May I ask you whether it is true that other chemical industries, apart from the IG, had expert representatives whom they sent into the Office of the Four Year Plan in an honorary capacity?

A. Yes, I pointed that out in the very same affidavit.

Q. Do you know that Professor Martin of Ruhrchemie, Professor Mueller of Krupp, Director Winkler of the Kontinentale Oel A.G., Dr. Bartsch of the Henkel concern, Dr. Gollhofer, a director of Brown Boveri, and a number of other well-known members of important firms were sent to the Four Year Plan in an honorary capacity?

A. With reference to the three firms which you just cited, Krupp, Kontinentale Oel A.G., and Brown Boveri, I do not remember that fact. With reference to the other firms which you mentioned—yes.

Q. Do you think it possible that an estimate would be more correct if you said that the gentlemen sent by the IG comprised much less than 90 percent, but rather about 60 percent?

A. Counsel, at the moment I see no grounds at all for correcting my estimate.

DR. BOETTCHER: Thank you. No further questions.

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[1] Complete testimony is recorded in the mimeographed transcript, 7 October 1947, pp. 1724-1745.

[2] Reproduced immediately above.

3. TESTIMONY OF DEFENDANT TER MEER CONCERNING FARBEN'S ROLE IN THE AUTARCHY AND REARMAMENT PROGRAM AND DEFENDANT KRAUCH'S POSITIONS IN FARBEN AND THE GOVERNMENT

EXTRACT FROM THE TESTIMONY OF DEFENDANT TER MEER*

DIRECT EXAMINATION

* * * * * * *

DR. BERNDT (counsel for defendant ter Meer): Now, what happened after 1933?

DEFENDANT TER MEER: After 1933, the measures taken by the new government in combating unemployment led to a quick minimizing of the results of the depression. A number of laws and governmental orders, which I shall go into later, brought tax relief for new plants and for replacements. The purchasing power of the masses rose quickly. That brought Farben increased sales in all fields. Since, during the depression expenditures for new plants had been ruthlessly cut back, now, after a three or four-year interruption, there was a great need for new investments, for improvements and expansion of production. New officers and new labor could be employed and, in the course of the work-creating program of the government, we did a great deal to erect homes and settlements for employees and set up social provisions in the plants. Our work in the chemical and technical field in the time after 1933 can best be characterized as a continuation of what we did from 1926 to 1929. That gave us work for laboratories and long-range developments.

Q. The government had an autarchy program. What was Farben's attitude on this question of autarchy?

A. Farben never believed in complete, absolute autarchy, an autarchy such as Russia, for example, was striving toward, without any regard to economic considerations. Russia wanted to attain complete autarchy, but we of course never had any such idea; however, the foreign exchange situation in Germany forced us to substitute domestic production for imported raw materials to a certain extent. This autarchy program of the German Government, of course, furthered, and now and then, hastened our work. We came to some basic decisions here, too. Our funds were inadequate to do everything that the government had proclaimed as its program, a program which, considered from the point of view of chemical production, involved primarily synthetic rubber, gasoline, and artificial fibers. We could not go along in all these fields. Consequently, at a meeting of the Central Committee (which at that time still dealt with technical questions),

* Further extracts appear elsewhere in this section and in section VIII, volume VIII, this series.

a suggestion of Mr. Bosch was accepted, according to which, first of all in gasoline, expansion was to take place to a certain capacity in the Leuna plant; but for the rest, the coal and tar hydrogenation process was to be turned over by license to other parties in Germany. In the case of artificial fibers, we wanted to have only a modest part of the proposed domestic production, but in the case of synthetic rubber we wanted to keep this field in our own hands at first, since we saw here some important problems which promised a great future. The German buna process, which I shall not go into now, is developed from carbide or acetylene. We saw in acetylene a new chemical basis useful in many types of synthesis, and in a number of our laboratories we specifically directed research into the field of acetylene; developments justified our action. A number of very valuable new products were developed on this basis, which, today and in the coming years, will be of great significance.

Q. In these autarchy endeavors and the use of the chemical industry for these purposes, the name Krauch has been mentioned frequently here. Will you please tell me when Professor Krauch came to Berlin?

A. You are doubtlessly thinking of his appointment to the Office for German Raw Materials and Synthetics. That must have been in 1936.

Q. How did it happen that Professor Krauch, who belonged to the Vorstand of Farben, was given this office?

A. Professor Krauch himself has described the background of this.* I can only give you my personal opinion. I think it quite natural, if the government wants to carry out an ambitious plan like the Four Year Plan, an important aspect of which is chemistry, that the government should get a good man for this chemical field who knows something about it; and since this involves technical and practical things, such a man could be found only in industry. I have the impression that that was the proper solution for the problem.

Q. Was the Vorstand of Farben consulted before Professor Krauch was called to Berlin? Had it come to any decision about it, or anything like that?

A. The subject was not brought up in any meeting that I attended. As far as I recall, the appointment of Professor Krauch was reported at a meeting of either the Central Committee or the Vorstand, but we were not consulted beforehand.

Q. Professor Krauch retained his position in Farben. When he came to Berlin he was a member of the Vorstand, a member

* The defendant Krauch's testimony on this and other questions surrounding the "Krauch Office" is reproduced above in subsection F.

of the Central Committee, and a member of the TEA. Which of these three positions did he retain?

A. He retained all of his positions. Until 1940, he remained a member of the Vorstand. He also remained a Sparte leader, and a member of the TEA. But Dr. Krauch made only very slight use of these offices. I have no doubt that he himself felt that his activity in a Reich agency would be hard to reconcile with his activity in our firm, and because of this quite correct feeling he attended no more meetings of the TEA—I believe that was from the fall of 1936 on. He did not attend any more Vorstand meetings either. I, personally, in 1938, asked Mr. Krauch to resign as head of Sparte I, because, as I told him frankly, it would be better if he gave such an important position in our firm to one of his colleagues, since he had a lot of business with our competitors and he would not like any difficulty to arise here.* However, I can confirm that Mr. Krauch avoided any such difficulties in a very proper way. In those years, I repeatedly heard complaints from younger associates that Professor Krauch had made decisions in the interest of competitors and not in Farben's interest. Therefore, I can confirm from this, and from my own observation, that Dr. Krauch strictly observed the separation between his official business on the one hand and his position in Farben—which was only on paper—on the other hand.

Q. When did Professor Krauch leave the Vorstand?

A. In 1940, upon the death of Mr. Bosch.

Q. Nothing was changed then in the relation between Professor Krauch on the one hand and Farben on the other hand?

A. Nothing was changed, as he had to a large extent already held himself aloof from Farben business matters before, and that continued to be the case. There was another change, however. He became chairman of the Aufsichtsrat.

Q. Yes, but, as he told us here, he made no use of this office. He was present at Aufsichtsrat meetings only on formal occasions.

A. Actually the position of a member or chairman of an Aufsichtsrat is not of very fundamental importance according to German corporation law. I cannot tell you at how many Aufsichtsrat meetings he presided. I recall only one. That was the one at which was celebrated an anniversary or a birthday of Mr. Schmitz.

Q. You know that the prosecution charges Farben with having participated to a great extent in the rearmament of the Third Reich. Can you tell me what share Farben had in rearmament?

A. Before the war?

* The defendant Schneider succeeded Krauch as head of Farben's Sparte I.

Q. Yes.

A. Farben's activities were not particularly influenced by rearmament. There was only one major field where development was swifter than it would normally have been. That was magnesium. In contrast to aluminum, the light metal magnesium could be produced from purely German raw materials. The result of our research work which has been going on since about 1910 was that certain magnesium alloys could be worked into useful metals. In this way metals were produced which were in demand in the market. Magnesium does not serve only for military purposes. It serves to a very large extent also for normal peacetime purposes, for example, civilian aviation, automobiles, tractors, and a large number of other uses in all kinds of industries. But it is correct that the suggestion for the construction of the Aken and Stassfurt plants came from the Reich Ministry of Aviation which agency was in charge of both civilian and military aviation.

What the role of the military authorities in rubber synthesis was I shall take up when we discuss the subject of buna.

In the Kransberg memorandum, Document NI–5187, Prosecution Exhibit 334,* on page 6 to 12 in the English text, I have described the development from 1933 to 1939 in great detail. I should like to refer to what I said there in order not to go into too much detail now.

Q. Now we can come to the question of the so-called standby plants. Can you tell me anything about that?

A. I must go back a little in this field to be able to answer the question clearly. Once before * * * No, I didn't mention that before. Excuse me. In considering Farben's production, one observes that Farben produces only a relatively small number of products which go directly to the consumer: nitrogen fertilizers, which are sold to the farmer; gasoline; pharmaceuticals; and photographic supplies. But the great majority of Farben chemical products goes to other industries for further processing. All the heavy chemicals, the light metals, artificial silk, artificial fibers, solvents, plastics, rubber, dyestuffs, intermediates, etcetera. These latter products—from the point of view of value, too, represent the majority of Farben production. I must explain that in order to be able to come back to your question. Let us take an example. If a paint factory in Germany buys solvents, gum lacs, and dyestuffs from Farben, we do not know whether paint will be produced for military planes or for bathrooms and kitchens. In other words, from the fact that other industries were supplied with our products we can deduce nothing about what is

* Not reproduced herein.

done with them. At least, that is the case with many products. We know something definite about what happens to our products only if they have a very definite, limited military use. If, for example, a product can be used *only* to be made into an explosive in an explosives factory, then we chemists at Farben know very well that this serves rearmament; but in the case of all the products where dozens of different things can be made from them, we do not know where they will end up. I must therefore, in contemplating Farben's participation in rearmament, limit myself to those products where *we know* that they served military rearmament. That is the case in supplying powder and explosives factories with acids, diglycol, nitrotoluene, pentaerythrite, and other things. That is the case in the powder stabilizers supplied to powder factories. That *would* include poison gas (chemical warfare agents) if we had produced them before the outbreak of the war; and that would also include certain special products, for example, in the case of dyestuffs, special dyestuffs for flare ammunition, smoke-screen chemicals, etc.; also special lubricants for airplanes and the well-known iso-octane as a high-grade fuel. We had only experimental plants for the latter two products up to the outbreak of war. I have outlined but not listed all the products. If I add up the turnover of the outlined products for the year 1938, I come to less than fifty million marks in one year. That would be about 3 percent of the net turnover of Farben at the time. An affidavit on these figures will be worked out and handed in later.

You asked me about standby plants.

[The ensuing testimony concerning standby plants is reproduced below in subsection K 3]

4. TESTIMONY OF DEFENDANT KUEHNE CONCERNING APPOINTMENTS TO THE KRAUCH OFFICE

EXTRACTS FROM THE TESTIMONY OF DEFENDANT KUEHNE*

CROSS-EXAMINATION

* * * * * * *

MR. SPRECHER: We have a few questions concerning appointments to the Krauch Office in Berlin before the war. In 1936 or 1937, did you communicate with Krauch concerning appointments to the Office for German Raw Materials and Synthetics?

DEFENDANT KUEHNE: I cannot remember well, but at all times I had a certain opposition against the Krauch Office, particularly as far as requests for experts from my plant were concerned.

Q. Describe why you had this opposition, to a greater extent, please.

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* Further extracts appear above in subsection C 5 *f*, and below in subsection H 4 *d*.

A. From the very beginning, I was opposed to Herr Krauch's appointment, or against his being placed at the disposal of the Reich, and my attitude towards the whole Krauch Office was always the same. On the whole, I was an opponent of all government agencies, because they always interfered more and more with the business of my plant.

Q. Now, in connection with any discussions you had on appointments to the Krauch Office, does it refresh your recollection if I mention a discussion in which you recommended a Dr. Ruesberg, R–u–e–s–b–e–r–g, stating that he would do nothing against the interests of I.G. Farben without good reason, if he were appointed to the Krauch Office?

A. Am I supposed to give you an answer or not?

Q. Does that refresh your recollection about recommending any appointments to Krauch?

A. I cannot recall the whole connection.

Q. All right. I will give you the document regarding it to save time; Document NI–15015 may go in as Prosecution Exhibit 2070.*

* * * * * * *

Q. Dr. Kuehne, this Exhibit 2070 is a letter from you to Dr. Krauch dated 26 April 1937, and we have a rather special interest in the phrase where you state that Dr. Ruesberg would do nothing that would go against the interests of I.G. Farben without good reason, and furthermore that you supposed that Dr. Krauch wouldn't have somebody in his office that was not from I.G. Farben.

PRESIDING JUDGE SHAKE: The letter is short. Give the witness a chance to look at it.

DEFENDANT KUEHNE: Yes, I have read that letter, but just from the wording of this sentence you will be able to read between the lines that I was opposed to surrendering any IG employees, that is, my employees, because I said: "In the first place it will probably not be unpleasant for you, either, to have assistants from firms other than the IG"; and from the first paragraph you can see that Dr. Feise had requested me to intervene and see whether Dr. Ruesberg could not be sent to the Krauch Office. Dr. Feise made it a point to have one of his people in that office, and I tried to dissipate possible misgivings of Dr. Krauch by saying this man would not do anything against the interests of Farben.

* * * * * * *

* Reproduced immediately below.

5. CONTEMPORANEOUS DOCUMENTS

TRANSLATION OF DOCUMENT NI-15015
PROSECUTION EXHIBIT 2070

LETTER FROM DEFENDANT KUEHNE TO DEFENDANT KRAUCH, 26 APRIL 1937

I. G. LEVERKUSEN

Management Department

26 April 1937

Director Dr. Krauch
Office for German Raw Materials and Synthetics[1]
Berlin, Behrenstr. 68–70

Dear Dr. Krauch,

Dr. Feise, Generaldirektor of Kali-Chemie, has informed me that he had discussed with you appointing his director, Dr. Ruesberg, to the staff of your collaborators in the Raw Materials Office. He is actually rather interested in having Ruesberg there, and has asked me to support him in this request to you.

I am doing this willingly and with a clear conscience, for two reasons. In the first place it will probably not be unpleasant for you either to have assistants from firms other than the I.G. Our relations with Kali-Chemie are so good, after all, that Dr. Ruesberg would do nothing that would go against the interests of the IG without good reason. Secondly I can really recommend Dr. Ruesberg very highly, because he is an able man, particularly well versed in inorganic technology.

With kind regards,

yours,

[Stamp:] Signed: DR. KUEHNE[2]

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[1] Evidence concerning the Office for German Raw Materials and Synthetics is reproduced above in subsection F. "The Four Year Plan."

[2] The testimony of defendant Kuehne concerning this letter is reproduced immediately above.

TRANSLATION OF DOCUMENT NI–7848
PROSECUTION EXHIBIT 718

REPORT OF THE REICH OFFICE FOR ECONOMIC DEVELOPMENT CONCERNING THE INSURING OF MOBILIZATION PROVISIONING BY STOCKPILING, APRIL 1938

No. 73 entered 28 September 1938

[Handwritten] note on distribution list

[The distribution list shows copies going to the defendant Krauch, Dr. Ritter, Col. Loeb, Major Czimatis, State Secretary Koerner (permanent deputy of Goering as Plenipotentiary for the Four Year Plan), and others.]

Reich Office for Economic Development

8/9 April 1938

[Stamp:] Top Secret

Division F [F = Forschung (Research)]

Division P [P = Produktion (Production)]

6 copies, 6th copy

Insuring of Mobilization Supplies Through Stockpiling *

(Increased Imports)

Contents:

I. Basic ideas
II. Individual surveys of the various raw material fields. (Iron ores and mineral oil not investigated.)
1. Steel-refining (alloy) metals.
2. Non-ferrous metals.
3. Iron pyrites, rock phosphate.
4. Stones and earths.
5. Rubber.
6. Industrial oils and fats, resins.
7. Leather (skins and tanning materials).
8. Textiles.
III. Summary of the proposals

I. *Basic ideas*

Assuming that *additional* means of payment in the form of *foreign exchange* can be made ready, it was necessary to investigate what measures are to be taken in order to *ensure mobilization supplies through additional imports and stockpiling* of vital raw materials from abroad.

In order to determine the mobilization requirements it was

* An earlier contemporaneous document on stockpiling of gun powder, explosives, chemical warfare agents, and their preliminary products, Document NI–7823, Prosecution Exhibit 717, is reproduced above in subsection F, "The Four Year Plan." See also the materials reproduced below in subsection I, "Stockpiling, Storage of Materials, and Dispersal of Production."

assumed that the procurement of supplies for a coming mobilization year must be met as from today.

This mobilization requirement is covered by domestic production and by the supplies already on hand. The deficit, after deduction of production and stocks on hand ("mobilization gap"), represents the *additional stockpiling* necessary to cover the first mobilization year.

Since in the individual sectors the stocks already on hand vary greatly in quantity—in some instances sizeable supplies are on hand, in others practically no supplies are on hand in very important fields—in order to make the position more clear, the investigation was extended also to the second mobilization year, in which the supplies on hand are already used up. In the second mobilization year the shortages will be greater unless the growing increase of domestic production in the respective field in each particular case makes itself felt to a corresponding degree (for instance, rubber).

In the following outline two points were simultaneously taken up in each case:

A. additional stockpiling to take care of the *first mobilization* year, taking into account the stocks already on hand;

B. additional stockpiling to take care of the *second mobilization year* (supplies on hand have already been used up in the first mobilization year; a possible increase of domestic production has been taken into account).

The outline also shows the funds necessary in both cases for obtaining the additional supplies of the raw materials in question.

A decrease in production, which threatens particularly the mining industry because of difficulties arising in the matter of skilled workers in case of mobilization, has not been taken into consideration. In general, it is assumed that domestic production will be carried out in accordance with the existing plan of development and that in case of mobilization it will be put into operation according to plan.

The amounts on hand in the foundries, which must necessarily be considered as plant reserves, are not listed as actually available supplies.

In general, care must be taken, in connection with the procurement of additional raw materials, that *no disturbance of the market* occurs as a result of the purchases, which might lead to price increases. The materials must therefore be obtained with greatest caution, and it is to be recommended that such agencies be used which generally make purchases and have at their disposal the best connections and knowledge of markets. It will, therefore, be advisable to work through well-known companies or

associations. The raw materials which have been obtained should then be transferred to the Reich and stored in the same way as goods obtained from the foreign market. The goods should be *stored,* in the proper ratio, with firms which will subsequently process them, in order to save transportation in case of mobilization.

On principle, raw materials should not be stockpiled in the form of various articles, such as for instance, fittings, etc., since all of these methods increase the work load in case of mobilization, either by reason of appropriating, processing, or replacing the finished products which have been requisitioned. There may, of course, be special cases, and it is therefore necessary to allow for supplementary proposals regarding the shaping of the storage policy. In the case of rubber, for instance, the stockpiling will be effected in the form of standard Wehrmacht tires and cross-country tires, in which case it will be necessary to adjust the storage conditions in such a way that the intake and outflow work smoothly.

The additional mobilization requirements caused by the Anschluss of Austria have not particularly been taken into account. Since they will amount to about 10 percent, they are about equal to the margin of error for the total figures regarding the mobilization requirements.

The effect on domestic production, brought about through the inclusion of the Austrian economic domain, has been taken into account.

In those raw material fields which have not been particularly mentioned, stockpiling measures by means of imports are not necessary.

II. *Individual surveys of the various raw material categories*

The situation with regard to the various categories has been summarized in the following charts.* For all vital raw materials which have to be imported, the following information is given in a special outline:

For the first mobilization year	For the second mobilization year
additional stockpiling for this first year (mobilization gap)	additional stockpiling for this second year (mobilization gap)
supplies on hand	
domestic production	domestic production

* The charts mentioned have not been reproduced.

In each case the price of the raw material is also shown in *reichsmarks per ton.* The costs of the stockpiling are also calculated in millions of reichsmarks for the first and for the second year of mobilization.

In each case there is also a note concerning the presumable method of payment (foreign currency or through clearing transactions), or particulars concerning the form of the raw material to be imported (for instance, as metal, or in the form of preliminary materials or ores). These particulars, however, should only serve as a guide, as it is not possible to foresee the details here in each individual case.

The following shows the various raw material categories arranged approximately according to their importance and the extent to which they can be substituted.

The following raw materials definitely cannot be replaced, not even through economy and substitution measures beyond the limit at present considered technically safe:

steel refining (alloy) metals and *nonferrous metals,*
iron pyrites and *rock phosphate,*
stones and earths (asbestos, mica, sillimanite and a few special graphites),
rubber

There follow the *industrial oils and fats* as well as *resins, leather* (skins and tanning materials) and finally *textiles.*

With regard to the various categories, the following should be pointed out:

1. *Steel refining (alloy) metals*

These should be considered as completely indispensable and as key products for the refined steel industry. Since reliable figures on mobilization requirements were not available, the requirements of the at present intensively increased steel industry have been taken as a basis for the mobilization requirements.

The substitution measures which are in progress with respect to steel alloy metals, in particular the intensified conversion to vanadium steels and the coming vanadium production in Germany, has been taken into account. In connection with molybdenum the decreasing need for catalyzers, and in the case of cobalt the one-time use of same (Fischer plants) has been reckoned with.

2. *Nonferrous metals*

Here the data of the W-Department of the Reich Ministry of Economics concerning restricted industrial supplies and direct Wehrmacht requirements have been used. The prospective technical development, particularly with reference to the substitution measures, has been taken into account.

3. *Iron pyrites* (raw material for sulfuric acid) and *rock phosphate*

The mobilization requirement here is based on the industrial requirement, which is at present greatly increased. It is assumed that the increased demand for certain productions will be offset by the increased demand in other fields in case of mobilization. The systematically increased use of Meggen pyrites has been taken into account. It is assumed that the fertilizer requirements for rock phosphate, needed in agriculture to maintain the level of crop yields, remain unchanged. In case of necessity, fertilization with phosphate will be curtailed for 1 to 2 years which, it is believed, would not cause any considerable damage to crops.

4. *Stones and earths*

Here shortages occur only in the case of a few, but at the same time indispensable, materials. Bauxite for aluminum and other purposes is stockpiled in sufficient quantities, and in case of mobilization it is presumed that Hungary will be a source of supply.

5. *Rubber*

Here the latest mobilization requirement of 65,000 tons per year has been taken into account. The requirement of approximately 102,000 tons per year, which was mentioned recently, has now been abandoned. Starting with the second year of mobilization, calculated from today, the production of buna will come very much into the picture. Stockpiling could be suitably reduced later on.

6. *Industrial oils and fats*

In this particular case the figures represent the absolute minimum still required for the soap industry, despite all systematically planned economy measures. When stockpiling, it is advisable to choose oils and fats which vary as widely as possible, in order to be able to select and substitute them in the various fields of application. These are:

Glutinous fat (coconut, palm-kernel fat)	about 15 percent
Kernel fat (tallow or animal fat)	about 45 percent
Hardened fats (fish oils)	about 20 percent
Liquid oils	about 20 percent

Resins

These are reckoned at about 13,000 tons per year, as representing an especially inexpensive soap basis. For paper sizing, 20,000 tons per year have been reckoned. For use in paints, resins are probably highly desirable, but can be dispensed with

in case of necessity, since they can be replaced or substituted by German resins.

7. *Leather*

In the chart the particular conditions ruling this category have been taken into account; i. e., in order to cover increased mobilization requirements, there must be additional imports of large skins, which will not be reflected in the leather supply until next year.

The tanning-material requirements have been estimated accordingly.

8. *Textiles*

It should be pointed out that in this category, perhaps more than in any of those mentioned above, it will be possible to put up with shortages or smaller stocks. This point is of particular significance, in view of the extraordinarily high amounts of foreign exchange which must be used for stockpiling in accordance with the full requirements of the calculation.

It is expressly pointed out that in the case of the estimated prices listed, in *reichsmarks per ton,* we are dealing with prices which are *approximately those currently in effect,* and that, because of market fluctuations, the price structure, and consequently the amounts of foreign exchange which must be provided for the various fields of raw materials, may be subject to corresponding fluctuations.

III. *Summary of the proposals*

The summarization by means of a chart shows, at the left for the first year of mobilization, at the right side for the second year of mobilization, the *necessary amount of stockpiling in thousands of tons per year* (additional imports) of raw materials and the *amounts of foreign exchange required for this in millions of reichsmarks.*

The quantities of raw materials for all fields are listed side by side in the form of columns to the same scale, whereas the amounts of foreign exchange are shown, set one on top of the other, also in the form of a column, the amounts required for the various categories being marked in the same color.

Considering the conditions for the ensuring of mobilization supplies and taking into account the stocks on hand, the following amounts must be expended *for the first year of mobilization:*

Category 1 (alloy metals) to *Category 5* (rubber) inclusive	248.4 million reichsmarks
Category 6 (oils and fats as well as resins)	8.2 million reichsmarks

also for

Category 7 (leather) and *Category 8* (textiles)	609.9 million reichsmarks
Total	866.5 million reichsmarks

For ensuring the supplies for the *second year of mobilization,* bearing in mind that the stocks on hand have already been used up in the first year of mobilization, and taking into account the increase of domestic production, we require the following amounts:

Category 1 to *5* inclusive	309.4 million reichsmarks
Category 6	30.7 million reichsmarks
Category 7 and *8*	895.7 million reichsmarks
Total	1,235.8 million reichsmarks

With the help of the above statements and the individual figures shown on the chart, it will be possible, when the additional foreign exchange funds are available, to arrive at detailed measures for a balanced over-all proposal.

Following a *basic principle* when arranging the distribution of the funds, it is proposed, in view of the varying degrees of importance of the raw materials, to carry out approximately the following stockpiling plan:

Expenditure for stockpiling
Reichsmarks (in millions)

Raw material category	First mob. year	Second mob. year	Total
1. Steel refining metals	fully 68.0	fully 76.6	144.6
2. Nonferrous metals	fully 117.9	½ 73.0	190.9
3. Iron pyrites, rock phosphate	fully 32.0	fully 43.0	75.0
4. Stones and earths	fully 5.7	fully 7.1	12.8
5. Rubber	fully 24.8	fully 36.0	60.8
6. Oils and fats, resins	fully 8.2	fully 30.7	38.9
7. Leather	½ 113.0		113.0
8. Textiles	¼ 96.0		96.0
Total		266.4	732.0

Depending on the amount of the funds available, the proposal would have to be *adapted accordingly.*

In conclusion the position can be summarized as follows: With a view to ensuring supplies in case of mobilization, those vital raw materials which have to be imported have been studied, and

definite proposals, given in figures, have been made for the stockpiling. Although the figures of mobilization requirements available thus far, cannot, generally speaking, be taken as absolutely correct, it is nevertheless felt that the *order of importance* of the required *supplies* was *correctly* estimated and that an *evaluation according to the urgency* of the stockpiling was made in the correct manner in accordance with the requirements of the German raw materials industry. In determining the mobilization gaps, the most unfavorable case was assumed, namely, that Germany, in case of mobilization, would have no imports whatever and would be able to rely only on its domestic production and the supplies on hand.

This assumption always holds good for the steel refining alloys, rubber, rock phosphate, cotton, in part also for nonferrous metals and leather. In case the southeast European area will still be available for imports in addition to the northern European area, a certain amount of relief will be possible in the other fields, the exact extent of which must be reserved for a special investigation.

The categories iron ores and mineral oil were not taken into account in this investigation.

TRANSLATION OF DOCUMENT NI–7835
PROSECUTION EXHIBIT 454

REPORT OF THE RAW MATERIALS DEPARTMENT III c OF THE OFFICE FOR MILITARY ECONOMICS AND ARMAMENTS OF THE HIGH COMMAND OF THE WEHRMACHT[1] CONCERNING PRODUCTION PLANS FOR GUNPOWDER, EXPLOSIVES AND CHEMICAL WARFARE AGENTS

Ro IIIc [File reference] 66 b 2161/VI

Berlin, 15 July 1940

Top Secret

5 copies, 3d Copy

Development of the production plans for gunpowder, explosives, and chemical warfare agents

1. The directives given by Field Marshal Goering in Karinhall, on the basis of the report of 9/10 June 1938[2] resulted in the *"Karinhallplan"*[3] ("accelerated plan") of 30 June 1938,[3] which envisaged the following as its final goal (middle of 1941):

17,100 tons of high explosives per month.
14,400 tons of filler per month.
Total of 31,500 tons of explosives per month.
18,100 tons of gunpowder per month.
9,300 tons of chemical warfare agents (up to the middle of 1942).

2. This plan was incorporated in the *"new military economic production plan"* of 12 July 1938.[4]

3. In view of the strained political situation in the autumn of 1938 and the demands thus created in the sphere of gunpowder, explosives, and chemical warfare agents, it seemed essential to

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[1] This contemporaneous document begins by describing three separate though related plans of the year 1938 for the increased production of gunpowder, explosives, and chemical warfare agents. Hence it has been inserted in the publication ahead of the exhibits describing the three plans. These plans, as modified from time to time, raised issues which were among the highlights of the trial. The third paragraph of this report also describes the authority of the defendant Krauch as "Plenipotentiary General for Special Questions of Chemical Production" (Gebechem) with respect to the execution (Durchfuehrung) of these plans. The designation "Ro IIIc", appearing at the left hand margin at the beginning of the document itself, stands for "Raw Materials Department IIIc", that Department of the Office for Military Economics and Armaments of the High Command of the Wehrmacht which dealt with gunpowder and explosives. This document was found in the files of this department. The chief of this department was Oberregierungsrat Herbert Mureck. Romberg, who signed the report, was a Regierungsrat and Referent in this department.

[2] Document NI–8799, Prosecution Exhibit 436, reproduced in part immediately below in this section. Concerning the designation "Karinhall Plan" see paragraph 2 of this document, and see Document NI–8800, Prosecution Exhibit 442, also reproduced in part below, in this section.

[3] Document NI–8839, Prosecution Exhibit 439, and Document NI–8841, Prosecution Exhibit 440, are both reproduced below in this section.

[4] Document NI–8800, Prosecution Exhibit 442, reproduced in full below in this section.

extend, and above all to accelerate, the former plans. This was done in the *"Rapid Plan"* ["Schnellplan"] of 13 August 1938,* which represented the maximum attainable under the conditions prevailing at the time. It provided for:

	18,600	tons of high explosives per month.
	15,400	tons of filler per month.
Total of	34,000	tons of explosives per month (by the beginning of 1941).
	18,100	tons of gunpowder per month (by the middle of 1940).
	9,300	tons of chemical warfare agents per month (by the middle of 1942).

For the execution [Durchfuehrung] of this plan, which was meant as a final solution, Professor Dr. Krauch, as "Plenipotentiary General for Special Questions of Chemical Production" received special authority from Field Marshal Goering. The control was in Dr. Krauch's hands; execution was divided between the Krauch Office, the Army High Command (Army Ordnance Office), and the OKW; and the close cooperation of these offices was ensured by the formation of a planning committee and a construction staff.

4. At the beginning of the war it was necessary for a time to concentrate on the projects nearing completion, as set forth in the "Execution of the New Military Economic Production Plan of 12 July 1938 in Case of Mobilization." In accordance with this, the following quantities (by adhering to the over-all planning) would have to be produced by the middle or end of 1940:

	About 12,000	tons of high explosives per month.
	about 7,000	tons of filler per month.
Total of	about 19,000	tons of explosives per month.
	11,900	tons of gunpowder per month.
	2,700	tons of chemical warfare agents per month.

5. By placing the Rapid Plan before all other projects, except for the aircraft and munitions program, we were able to supplement this plan in the version of *1 September 1939,* as follows:

	13,785	tons of high explosives per month.
	13,100	tons of filler and substitute explosives (Ammonal).
Total of	26,885	tons of explosives per month (by the end of 1940).

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* Document NI-8797, Prosecution Exhibit 449, reproduced in full below in this section.

18,200 tons of gunpowder per month (by the beginning of 1941).
5,500 tons of chemical warfare agents per month (by the middle of 1941).

6. The *"Fuehrer's demands,"* made in December 1939 in the sphere of munitions, then resulted in a requirement of—

63,000 tons of explosives per month in all.
23,000 tons of gunpowder per month.

As, however, such an increase of construction and speed seemed impossible, only the following expansion was envisaged in the expansion order of the OKW of *12 December 1939* approved by the Fuehrer:

53,000 tons of explosives per month (by 1 October 1941)
18,000 tons of gunpowder per month
(no decision was reached on chemical warfare agents)

The special method employed in the subdivision of this order (later called the "Orange Plan" because of a preliminary orange-colored draft) caused some deviations not recognized by the OKW, and provided in detail for:

25,050 tons of high explosives per month (end of 1941/beginning of 1942).
19,100 tons of filler per month (end of 1941).
10,900 tons of auxiliary explosives (Ammonal) (beginning of 1940)
Total of 55,050 tons of explosives per month (beginning of 1942).
18,970 tons of gunpowder per month (end of 1941).
11,960 tons of chemical warfare agents per month (end of 1941).

7. Because of difficulties connected with the procurement of building materials, machines, workers, etcetera, various slight alterations and postponements were made in the "Orange Plan," and construction deadlines were cut somewhat, which however, had little effect on the general policy of the plan.

8. The Munitions Program decreed by the Fuehrer on *6 April 1940,* with a key date of 1 October 1940, which called for considerable reductions in the Luftwaffe, resulted in a requirement for this date of 14,150 tons of gunpowder per month and 30,500 tons of explosives per month. The fulfillment of this requirement could not, in view of the construction schedules envisaged in the "Orange Plan", be achieved by 1 October 1940, but could be expected only beginning in the spring of 1941; we could tide

over the interim by making use of stockpiles. Beyond this, however, measures had to be taken for the fullest exploitation of available plants and the extensive use of fillers and substitute explosives, as well as for the greatest possible acceleration of work on the plants under construction. The investigation into these questions and the introduction of the necessary measures were undertaken by a commission appointed by the Reich Minister for Armaments and Munitions, under the direction of the OKW, so that the expansion of the "Orange Plan" should be effected with the greatest possible speed, making it possible to reach a production capacity of 14,000 tons of gunpowder per month, and 32,300 tons of explosives per month. The "Orange Plan" projects over and above this should be shelved pending a later decision. (This plan from then on went by the name *"Fuehrer Decision."*)

9. On the basis of information concerning munitions consumption in the western theater of operations, which remained far below previous expectations, the Military Economics and Armaments Office was commissioned on 12 June 1940 by command of the Chief of OKW to establish new construction schedules for the Gunpowder and Explosives Rapid Plan in collaboration with the Reich Minister for Armaments and Munitions. The final production total should correspond with the figures of the "Fuehrer Decision" and should be reached by the spring of 1941. Where explosives are concerned, it should be possible to produce the entire quantity as high quality explosives. After the coordination of the various considerations, the *final* construction schedules, giving details of the plants still to be completed and of those to be eliminated, were established by a *decree of the OKW of 20 June 1940.* The final goal, according to this, is an output capacity of—

19,115 tons of high explosives per month.
15,440 tons of filler per month.
Total of 34,455 [sic] tons of explosives per month.
16,195 tons of gunpowder per month.
8,960 tons of chemical warfare agents per month.

[Signed:] ROMBERG 15 July

PARTIAL TRANSLATION OF DOCUMENT NI–8799
PROSECUTION EXHIBIT 436

REPORT OF THE REICH OFFICE FOR ECONOMIC DEVELOPMENT, 9/10 JUNE 1938, ENTITLED "SUMMARY OF THE PRODUCTION PLAN FOR GUNPOWDER, EXPLOSIVES, AND CHEMICAL WARFARE AGENTS"[1]

REICH OFFICE FOR ECONOMIC DEVELOPMENT

Summary of the Production Plan for Powder, Explosives, Chemical Warfare Agents, Including Preliminary Products

Status as of 10 June 1938

[Stamp:] Top Secret

* * * * * * *

Dept. F [Research] 9 S — Berlin 9/10 June 1938

Dept. P [Production] 9 S — 5 copies, 5th copy

[The distribution sheet of this document is marked "Top Secret." On the distribution list of 5 copies, the defendant Krauch received the first copy and the fifth went to Dr. Ritter, another official in the Krauch Office]

Summary of the Production Plan for powder, explosives, and chemical warfare agents, including preliminary products

The graphs[2] show the present status in all fields. The figures given refer to the capacities of the plants which will be ready for production on the dates shown in the graphs.

Present difficulties of delivery considered, the completion deadlines can be met. It will be *possible to accelerate* the execution of the production plan only if (as in the categories mineral oil and rubber) a strictly uniform construction procedure is applied and the orders for these plants are accorded priority (compare the special memorandum).

The present plan does not include capacity schedules for the Ostmark.

It can be expected that in this area 1,500 tons per month of nitrocellulose and/or diglycol powder, as well as 1,000 tons per month of explosives (hexogen) will have to be produced.

Details of the plan may be gathered from the surveys. The measures to be carried out in the various fields may be summed up as follows:

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[1] In a report of the Office for Military Economics and Armaments of the OKW of 15 July 1940, this report was described as the basis for Goering's directives which led to the "Karinhall Plan" of 30 June 1938, later commonly referred to as the Krauch Plan. See Document NI–7835, Prosecution Exhibit 454, reproduced immediately above.

[2] The graphs were not offered in evidence.

1. *Explosives* (compare sheet No. 1)

Tons per month	*Explosives*
Plants already existing 6,300	Trinitrotoluene.
60	Pentaerythritol-tetranitrate.
385	Picric Acid.
5	Ethylene-diamine-dinitrate.
600	Trinitroanisole.
Total 7,350	tons of explosives per month.

Measures: Completion of plants definitely proposed and/or those which are under construction:

	—	Trinitrotoluene.
Reinsdorf	75	Pentaerythritol-tetranitrate.
Kruemmel	150	Pentaerythritol-tetranitrate.
Malchow	200	Pentaerythritol-tetranitrate.
Wolfratshausen	500	Pentaerythritol-tetranitrate.
Malchow & Doemitz	155	Picric Acid.
Wolfratshausen	70	Picric Acid.
Total	1,150	tons of explosives per month.

Newly planned as of 1938:

Project I T	1,200	Trinitrotoluene.
Project II T	1,200	Trinitrotoluene.
Project III T	1,200	Trinitrotoluene.
Project Dia I	500	Ethylene-diamine-dinitrate.
Project Dia II	500	Ethylene-diamine-dinitrate.
Project H I	1,000	Hexogen.
Project H II	1,000	Hexogen.
Project H III	1,000	Hexogen.
Project H IV	1,000	Hexogen.
Total	8,600	tons of explosives per month.

Total explosives capacity, ultimate aim: 17,100 tons per month.

Remarks: On the question of the new hexogen explosives—

Research and development, as well as production experiments in plants to be especially constructed for experimental purposes, will still require so much time that the first major installation should not be expected to start operating before 1942.

It would be advisable to develop the plants in such a manner that only ammonia and methanol would be supplied as raw mate-

rials, while formaldehyde as well as hexamethylenetetramine would be produced there. Highly concentrated nitric acid and ammonium nitrate, needed for the hexogen pouring mixtures, would also have to be produced in the hexogen plants.

Facilities for highly concentrated nitric acid and formaldehyde are included in the plants. Nitrogen and methanol requirements are contained in the total requirements.

2. *Preliminary Products for Explosives* (compare sheet 2)

	Tons per month
a. Toluene—facilities now available for	2,000 pure toluene
Measures: Completion of planned distillation facilities, particularly in the Ruhr, in conformity with the plan for explosives	2,650 pure toluene
Total	4,650 pure toluene

b. Primary Nitrogen

for hexogen (K†)

† In order to be on the safe side when planning, the K-process was assumed to require more nitrogen than the SH-process.

	Tons per month
Total	4,800 as NH_3

All requirements can be considered completely covered by existing N-plants.

c. Methanol

for pentaerythritol tetranitrate and hexogen (SH)††

†† SH-process, requiring more methanol than the K-process, was used for the same reason.

	Tons per month
Total	7,200 as methanol

All requirements can be considered completely covered by the existing plants.
(Footnotes in original)

d. Ammonium nitrate for pouring mixtures

	Tons per month
Total	14,400 ammonium nitrate

Requirements can be met by conversion in the fertilizer industry.

Measures: Examination and/or preparation of drying devices, etc.

3. *Powder*

a. NC-Powder

	Capacity Tons per month	
Existing plants	1,800	NC-powder
Measures: Completion of plants definitely planned and/or plants being constructed at		
Buche 1	200	NC-powder
Buche 2	200	NC-powder
Ebenhausen	460	NC-powder
Doerverden	900	NC-powder
New projects in:		
Northern or Central Germany	500	NC-powder
Bavaria	500	NC-powder
Northern or Central Germany	300	NC-powder
Total	4,860	NC-powder

b. Nitrodiglycol and Nitroglycerine powder

	Tons per month	
Existing plants	3,200	N-Diglycol
Measures: Completion of plants definitely planned and/or plants being constructed at		
Torgelow 1	500	N-Diglycol
Torgelow 2	500	N-Diglycol
Bomlitz	1,000	N-Diglycol
Dueneberg 2	400	N-Diglycol
Hohensaaten	1,100	N-Diglycol
Muehldorf	1,100	N-Diglycol
New projects at:		
Lausitz Forest	1,000	N-Diglycol
Gruenau Forest	1,000	N-Diglycol
Southern Germany	1,050	N-Diglycol
Northern Germany	1,000	N-Diglycol
Central Germany	1,050	N-Diglycol
Total [sic]	13,000	N-Diglycol

Preliminary Products for Powder

Sheet 4a shows separately the quantities of highly concentrated acids required for explosives and powder.

a. Nitrating Crepe (staple cellulose) [Edelzellstoff]

	Tons per month	
Existing plants	4,220	Nitrating Crepe
Measures: Completion of plants planned and/or plants being constructed to conform with the plan for powder	4,580	Nitrating Crepe
Details of new schedule still to be determined	2,200	Nitrating Crepe
Total	11,000	Nitrating Crepe

b. Diglycol (compare chemical warfare agents)

Existing plants	500	Diglycol
Plants being planned or expanded at:		
Schkopau	550	Diglycol
Huels	600	Diglycol
New projects at:		
Trostberg	500	Diglycol
Sauerland	350	Diglycol
Total	2,500	Diglycol

At the same time these plants yield ethylene chloride, a primary material for ethylenediaminedinitrate explosives.

4. *Nitrogen* (compare sheets 4a, 4b, 4c)

The requirements of the nitrogen basis are made up of various parts:

Highly concentrated acid (highly concentrated nitric acid of 99% HNO_3) used for nitration of explosives, except hexogen, and for nitration (in powder production) of cellulose and diglycol and/or glycerine.

Ammonia for hexogen and ammonium nitrate.

Sheet 4a shows separately the requirements of highly concentrated acids for explosives and for powder.

a. Highly concentrated acid

Sheet 4b shows the total requirements of highly concentrated acid and supply on hand, together with the expansion plan.

	Tons per month	
Capacity of existing plants	23,000	HNO_3 [nitric acid]
Measures: Completion of plants definitely planned and/or plants being constructed at		
Mehlbeck-Embsen	5,200	HNO_3
Langelsheim	5,600	HNO_3
New Projects		
Project Doeberitz II	4,000	HNO_3
Project X (Reserve)	4,000	HNO_3
Total	41,800	HNO_3

as highly concentrated acid.

Remarks: Highly concentrated acid for hexogen is being produced in the hexogen plants and has been included in the plans for these plants.

b. Total nitrogen

Sheet 4c shows the total requirements of nitrogen to be made available in the form of primary ammonia. Because of the existing fertilizer nitrogen basis, these N-quantities can be considered secured.

Measures: It will be examined whether the establishment of a nitrogen basis for Bavaria and Austria is advisable for the purpose of ensuring the mobilization supply. From the viewpoint of raw materials its construction is not deemed urgent as yet.

5. *Sulfur* (compare sheet 5)

For power and explosives as oleum [fuming sulfuric acid] (in t SO_3). The total requirements consist of oleum requisitions for

a. Explosives (tri, picric acid, and trinitroanisole)

Measures: The oleum recovery process (according to Speich) must be introduced systematically in the existing trinitrotoluene plants. Consumption of fresh oleum will then be reduced from 10,800 tons per month to 1,500 tons per month!

b. NC-Powder

Because of the rinsing processes after nitration an unavoidable complete consumption takes place. The required oleum may be considered as available.

c. Nitrodiglycol powder

For the time being, consumption is as listed in sheet 5, with the waste acid going to other industries as diluted sulfuric acid.

Measures: A check must be made (in every single powder

factory) to see whether here, too, the oleum recovery process (according to Speich) can be introduced.

Through the recovery of oleum in the trinitrotoluene production it will be possible to conduct the greatly increased explosives and powder program later on too, and with the same oleum quantities as are already *needed now*. The introduction regeneration in the case of N-Diglycol powder too, will make possible further savings, and thereby sulfur and/or pyrites.

6. *Chemical Warfare Agents* (compare sheet 6)

	Tons per month
a. Mustard gas (Gelbkreuz)* capacity already existing	400
Measures: Completion of plants definitely planned at	
Huels	800
Trostberg	1,000
(according to Oxol process)	
New projects at	
Sauerland	1,900
Teutoburger Wald	1,500
(Ethylene basis is long-distance gas conduit)	
Salzgitter	2,200
(Ethylene basis of coke-oven gases)	
Total (according to D-process)	7,800

The development of the Direkt-Lost process, which cuts down the use of raw materials, must be given priority. Development of the process of direct hydrogenation of acetylene must also be completed.

The production of the chlorine quantities needed will take place in coordination with the mustard gas plants, through the respective electrolysis processes. *Sulfur* may be considered as assured in the framework of the production program.

b. W-Salt (Chloracetophenone) [tear gas]

	Tons per month
Capacity already existing	135
Measures: Completion of definitely planned installations at Hahnenberg	600
Total	735

* "Yellow Cross," designation for vesicant gas.

The various raw materials may be considered available.

c. Arsine oil (Blaukreuz)[1]

	Tons per month
Existing facilities	180
Measures: Completion of definitely planned installation at Hahnenberg	400
New Project: Project A I	180
Total	760

The various raw materials may be considered available.

Measures: As regards arsenic, production expansion at the Rathhausberg (Styria) must go hand in hand with requirements.

Final Remarks.

It is the opinion of the experts that the production increases of the above plan can be carried out under present conditions. Any major reduction in the construction time limits, in order to achieve a more rapid procurement of mobilization requirements, is possible only if a rigid coordination of procedures is effected by way of granting special powers (compare special memorandum).

TRANSLATION OF DOCUMENT NI-8841
PROSECUTION EXHIBIT 440

MEMORANDUM OF THE KRAUCH OFFICE, 30 JUNE 1938, SUMMARIZING THE "KARINHALL PLAN"

4 copies, 4th Copy 30 June 1938 [Handwritten]

[Stamp:] Top Secret

SUMMARY OF PLAN FOR ACCELERATING PRODUCTION OF POWDER, EXPLOSIVES, AND CHEMICAL WARFARE AGENTS INCLUDING PRIMARY PRODUCTS

The previous summary of 9/10 June 1938[2] described in fullest detail the expansion program, and the time limits set for completion were considered attainable, taking into full consideration the difficulties of delivery so far experienced.

Today's memorandum[3] concerning the same, but accelerated, production plan of 30 June 1938 has examined the possibilities for utmost acceleration and summarizes its findings. The first part of the memorandum gives an over-all review in order to show the

[1] "Blue Cross" designation for gases which are used in explosive shells and cause, on liberation, violent sneezing.

[2] Document NI-8799, Prosecution Exhibit 436, reproduced in part immediately above.

[3] Document NI-8839, Prosecution Exhibit 439, reproduced in part immediately below.

difference between the previous plan of 9/10 June 1938, and today's accelerated plan of 30 June 1938.

The second part of the memorandum shows in detailed review the individual fields, giving a list of the measures to be carried through.

It must be stressed with particular emphasis that the accelerated expansion plan given here can be put into effect only if there is a fundamentally new and strict coordination of planning and execution, controlled by one single authority.

The conditions and powers necessary for this, which also apply to other products important for the military economy, are set forth in basic outline in a separate memorandum.

It is proposed to show individually the measures to be taken immediately in order to ensure the accelerated expansion in the field of powder, explosives and chemical warfare agents.

[Handwritten notation:] No. 90 entered 28 September 38

1. *Explosives.*

Capacities for ultimate aim	17,100 tons per month
At present on hand	5,400 tons per month
To be made ready for start of production	2,000 tons per month
Under construction and/or definitely planned	1,100 tons per month
New projects	8,600 tons per month
(expansion)	1,600 tons per month

In the field of explosives an appreciable capacity expansion by way of purely synthetic explosives (hexogen, ethylene-diamine-dinitrate) is not possible for the time being. The research and development work covering this field must be supported by all means to permit carrying into effect the program as outlined. Since the beginning of operations in the first large-scale hexogen plant cannot be expected before the middle of 1940, immediate expansion of capacity must be by way of trinitrotoluene. It is possible to increase the present tri-capacity of 6,300 tons per month (4,300 tons per month available for immediate use) to 9,900 tons per month; 1,600 tons per month (expansion of projects at Kruemmel, Hessich-Lichtenau, Clausthal, Elsnig) can be completed by the end of 1938, the remaining 2,000 tons per month (project T) by the beginning of 1940.

Basic prerequisite for the above is that these projects be treated as top priority and that construction firms be given assistance in every respect. In order to permit meeting the above deadlines, a decision on the part of the competent authorities by the middle of July 1938 is necessary.

The expansion of toluene distillations can keep pace with the required speed. An immediate decision and placing of contracts is also a prerequisite for the firm engaged in production.

2. *Powder.*

Capacities for ultimate aim	18,100 tons per month
At present on hand	5,000 tons per month
Under construction and/or definitely planned	6,600 tons per month
New projects	6,500 tons per month

The acceleration of the powder program is exclusively contingent on the reduction of the construction time schedules. The same general prerequisites apply, as already stipulated for explosives. The diglycol needs can be satisfied in the required measure by systematic expansion.

The same applies for nitrating crepe.

3. *Chemical Warfare Agents.*

a. Mustard Gas.

Capacity for ultimate aim	7,800 tons per month
At present on hand (200 reserve in Ludwigshafen)	600 tons per month
Under construction and/or definitely planned	1,600 tons per month
New projects (400 Oxol expansion Ammendorf)	5,600 tons per month

The proper way for mustard gas production, from the technical viewpoint and that of raw materials, is by way of the so-called direct process, by which 5,200 tons per month are forecast. Up to this time, however, tests have only been conducted on a laboratory scale [Technikummasstab]. The first large-scale experimental station is to be erected at Huels for a capacity of 200 tons per month of direct process mustard gas, and will not be ready for operation until the spring of 1940.

Therefore, before it will be possible to build the additional mustard gas installations proposed for the direct process, the experimental plant in Huels must be in operation according to present planning. This is the key factor for the procurement of the proposed 5,200 tons monthly of mustard gas by the direct process. It should be investigated, however, whether the proposed D-L experimental plant earmarked for Huels, which cannot be in operation before the spring of 1940, could not get under way considerably earlier by being set up in a factory already in operation, for example in Schkopau, so that the work of constructing the large-scale D-L plant could be undertaken at an advanced date.

From a raw materials standpoint alone, i. e., as regards procuring the needed ethylene, the situation is clear, since sufficient quantities of this ethylene to cover needs of the remaining establishment are available in the coke-oven gases at various places.

From the foregoing remarks it is evident, however, that the most important point for the procurement of the large quantities of mustard gas by way of the direct process is to organize experimental and development work immediately on a far-reaching scale, using the experience of organic chemistry's big industry and enlisting its best forces.

b. Arsine Oil.

Capacity for ultimate aim	760 tons per month
At present on hand	180 tons per month
Under construction and/or definitely planned	400 tons per month
New projects	180 tons per month

The expansion can be considered technically assured. The output facilities for arsenic (in Austria) permit expansion in needed measures. Stockpiling should possibly also be provided for.

c. W-Salt [chloracetophenone].

Capacity for ultimate aim	735 tons per month
At present on hand	135 tons per month
Under construction and/or definitely planned	600 tons per month

The expansion can be considered assured, technically speaking, and from the viewpoint of raw materials.

PARTIAL TRANSLATION OF DOCUMENT NI-8839
PROSECUTION EXHIBIT 439

EXTRACT FROM A MEMORANDUM OF THE KRAUCH OFFICE, 30 JUNE 1938, STATING THE BASIS OF THE "ACCELERATED PLAN FOR VARIOUS CHEMICAL PRODUCTS"

Division F [Research] 9S — Berlin, 30 June 1938
Division P [Production] 9S

[Stamp:] Top Secret

4 copies, 4th Copy

The Accelerated Plan[1]

[Der beschleunigte Plan]

Detailed survey

The basic idea underlying the acceleration of expansion is the increase, wherever possible, of the output of plants already in existence, by means of simple and relatively economical expansions, and not merely by establishing new plants in "green pastures." ["auf die gruene Wiese setzen"]

The accelerated plan differs radically from the version dated 9/10 June 1938[2] in the following points:

Explosives: Enlargement of four existing trinitrotoluene plants with a total capacity of 1,600 tons per month. Advancement by 1 year of the hexogen plants schedules, subject to successful outcome of current development work.

Powder: Acceleration of projects planned so far.

Preliminary products: Immediate commencement of increased toluene production through expansion of the benzene distillation plants.

Chemical warfare agents: Immediate commencement of the special Direkt-Lost experiments, to take place not only after the completion of the Huels plant, as planned, but in another location. This will make possible advancement by approximately 1 year of schedule of the Teutoburger Wald and Sauerland plants.

* * * * * * *

[1] Only the first of the nine pages of the original report is reproduced here. The remaining eight pages deal with detailed production figures under the headings "Explosives," "Preliminary Products for Explosives," "Powder," "Nitrogen," "Sulphur for Powder and Explosives," and "Chemical Warfare Agents." These are the same headings which appear in the "Production Plan" of 9/10 June 1938 (NI-8799 Pros. Ex. 436), which has been reproduced in part above and which is mentioned in the second paragraph of this document. Even the subheadings to the main headings are the same in both of the production plans. The production figures for the different products differ, however, in most instances.

[2] Document NI-8799, Prosecution Exhibit 436, reproduced in part earlier in this section.

PARTIAL TRANSLATION OF DOCUMENT NI-8800
PROSECUTION EXHIBIT 442

THE NEW MILITARY ECONOMIC PRODUCTION PLAN OR THE "KARINHALL PLAN"*

Reich Office for Economic Development

Division F [Research]

Division P [Production]

Berlin, 12 July 1938

[stamp] Top Secret

10 copies, 8th copy

New Military-Economic Production Plan of 12 July 1938 for the Fields: Mineral Oil, Rubber, Light Metals, Gunpowder, Explosives and Chemical Warfare Agents.

The goal for the new production plan was set by the Field Marshal on 30 June 1938 at Karinhall. The following basic conditions should be observed for the individual categories:

1. *Mineral oil.* Development according to the original plan will be only slightly delayed in case the steel quota will be reduced for five months, from August to December 1938, inclusive.

The new plan begins with an increased quota, as compared with the first half of 1938, effective as of the beginning of 1939. In order to carry out the mineral oil plan approximately 110,000 tons per month of steel—rolled or casting weight—will be required until the middle of 1942 (as compared with 60,000 tons per month thus far). The plan aims at the attainment of the following *target* for 1942/43 established by the Field Marshal:

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* General Thomas has written that this plan of 12 July 1938, was the "Karinhall Plan" (2353-PS Pros. Ex. 443, appearing immediately hereinafter). This was the pivotal plan for the production of all the products which fell within the competence of the Krauch Office: gun powder, explosives, chemical warfare agents, synthetic oil, synthetic rubber (buna), and light metals. This plan incorporated the earlier "Accelerated Plan" of 30 June 1938 (NI-8841, Pros. Ex. 440; and NI-8839, Pros. Ex. 439, appearing in this section) which dealt only with gun powder, explosives, and chemical warfare agents, and their preliminary products. The later "Rapid Plan" of 13 August 1938 (NI-8797, Pros. Ex. 449, appearing hereinafter), was a modification for additional increases in production capacities for gun powder, explosives, and chemical warfare agents. A number of later contemporaneous documents described the production plans for these various fields of production as the "Krauch Plan" (see, for example, NI-1237, Pros. Ex. 457 and NI-7291, Pros. Ex. 471, appearing later in this section). A report of the Krauch Office itself, dated 5 June 1943, declares that the New Military Economic Production Plan was "drawn up by the General Plenipotentiary for Special Questions of Chemical Production in the course of the Four Year Plan" (NI-7562, Pros. Ex. 590, reproduced in part hereinafter in the subsection on light metals).

Mobilization target	Aviation gasoline	3 million tons per year, hitherto 1 million.
	Motor gasoline	4 million tons per year, hitherto 2.6 million.
	Diesel fuel	2 million tons per year, hitherto 2 million.
	Fuel oil	4 million tons per year, hitherto 3.5 million.
	Lubricating oil	0.83 million tons per year, hitherto 0.65 million.

The plan provides for making standby plants available on a larger scale. Under normal conditions these plants are to be already partially in operation; the products produced in them beyond the normal requirements are to be stored for the mobilization requirements. In this way it would be possible to decrease the number of standby plants, which involve big capital outlays and require large quantities of materials.

2. *Rubber.* Development according to the original plan is continuing practically according to schedule; the quota will be only slightly restricted because of the saving of steel which is to continue for 5 months.

In the autumn of 1939, construction work on Buna Plant III will begin, and starting the end of 1940, there will be a further expansion from 94,000 tons per year to 120,000 tons per year capacity, either through the expansion of Buna II and III or the erection of a fourth buna plant. This expansion is made possible for the next few years, including 1942, by maintaining the current steel quota of about 11,000 tons per month for buna.

The plan aims at the target for 1942/43 established by the Field Marshal.

Mobilization target for buna, 120,000 tons yer year, hitherto 70,000 tons per year.

3. *Light metals.*

a. Aluminum. Expansion according to the original plan is proceeding according to schedule. The quota established will not be restricted by the saving of steel which is to last for 5 months. Further expansion will be effected according to the new plan, which contains the following important points as compared with the original plan:

1. Replacement of 15,000 tons per year of aluminum of the Wehrmacht requirements (particularly fuses) by 10,000 tons per year of magnesium.

2. Expansion of Toeging, Lend, Bitterfeld, and construction of a new plant for an additional 15,000 tons per year (possibly more) supplied by waterpower from the Inn, since a quick expansion of energy is possible there.

The mobilization target of 273,000 tons per year will be attained by the end of 1941.

b. Magnesium. The mobilization requirements according to the old planning amounted to 31,200 tons per year; in accordance with the planning of 31 December 1937, 26,000 tons per year. According to the present planning of 12 July 1938 the magnesium mobilization requirements, owing to the substitution of aluminum, are increased by 10,000 tons per year to the mobilization target of 36,000 tons per year.

These requirements remain permanently covered in the period 1939/40 by supplies in stock, utilization of the facilities which still exist at the present time, and construction of a new plant for 2,000 tons per year. The process, presumably thermic, which is to be provided for the new plant, will be decided on in 1939, depending on how successful the plants going into operation at the end of 1938 prove to be. The construction of mobilization standby plants could be undertaken in connection therewith. In case of mobilization it would be possible to tide over the time required for development of the planned additional mobilization plants of 14,000 tons per year capacity with the available supplies.

4. *Gunpowder, Explosives, and Chemical Warfare Agents.* Development thus far, according to the existing plan, exceeds the quota of the Army Ordnance Office. Only some of the preliminary product plants were thus far controlled by the Reich Office. The new plan of 30 June 1938 calls for the *utmost acceleration* of all building projects in these fields, including the preliminary products. It is effective *immediately*, with increased steel requirements of approximately 10,000 tons per month, which will reach an outstanding level of about 40,000 tons per month in the year 1940. The gunpowder and explosives plan can be achieved by the middle of 1941; the chemical warfare agents plan by the beginning of 1942.

Mobilization target	Gunpowder	17,900 tons per month.
	Explosive	17,100 tons per month (including additional amounts: 35,000 tons per month).
	Chemical warfare agents	9,300 tons per month.

Preliminary Condition for Carrying out the New Military Economic Production Plan.

Investigations thus far show that the new plan *can be carried out in principle.* The necessary amounts of energy as well as the required additional coal production must be made available by 1942/43 through systematic development. *However, a preliminary condition is an increase of the steel quota,* beginning 1939, to the quantities as shown on the comprehensive chart[1] (approximately 100,000 additional tons per month for the next 3 years). For the fields *gunpowder and explosives the increased amount of steel* must be made available *immediately.*

A further preliminary condition is a basic special authorization, by which this executing office retains for the individual project the possibility of having its steel delivery take precedence over all other deliveries (except munitions and direct Wehrmacht equipment), and of providing the necessary engineers, chemists, and workers at the expense of less important projects.

If the two preliminary conditions cannot be fulfilled, then the carrying out of the *new* military economic production plan of 12 July 1938 according to schedule is not possible.

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PARTIAL TRANSLATION OF DOCUMENT 2353-PS[2] PROSECUTION EXHIBIT 443

THE KARINHALL OR KRAUCH PLAN—EXTRACTS FROM THE MANUSCRIPT OF GENERAL GEORG THOMAS, ENTITLED "BASIC FACTS FOR A HISTORY OF THE GERMAN WAR AND ARMAMENTS ECONOMY" (1944)

* * * * * * *

XVII

Status of the war and armaments economy in 1939, at the time of mobilization.

* * * * * * *

During the rearmament period, preparations for the mass production of munitions had been carried on only to the extent that the existing machinery was used for supplying current and rearmament requirements. This was in no way sufficient. The Military Economics Staff and the Army Ordnance Office had, therefore, stressed in numerous memorandums (during the rearmament period), the weakness of our armament production as far as munitions were concerned, but had been always put off

[1] Not reproduced herein.

[2] Further extracts from this document were introduced in the Ministries case (Case 11) as Prosecution Exhibits 941 and 1049, and are reproduced in section VI, vol. XII, this series.

with the reply that the production facilities needed for mass production in wartime could be made available only when rearmament was completed. Furthermore, the false conception was frequently advocated that munitions could be made in any small machine shop and on any lathe, which had also been done in the World War 1914/18. No notice was taken of the objections of the Army Ordnance Office to the effect that modern machines were indispensable for the up-to-date production of munitions.

The increase of the production of gunpowder and explosives had been started as a large-scale operation. On the recommendation of the Military Economics Staff, Field Marshal Goering had ordered, in 1938, a plan to be drawn up for the production of gunpowder and explosives, and had put Generaldirektor Dr. Krauch of I.G. Farben in charge of its execution. This plan was drawn up on 12 July 1938 as the so-called "Karinhall Plan".* It provided for production facilities for 12,000 tons of gunpowder, 19,000 tons of explosives and 4,000 tons of chemical warfare agents per month, to be set up by 1 October 1940. The following capacities were to be effected by 1 October 1941:

Gunpowder	18,000 tons per month.
Explosives	24,000 tons per month.
Chemical warfare agents	8,000 tons per month.

As the result of innumerable difficulties, particularly owing to lack of foreign currency for the purchase of machinery, deficiencies in the allocation of raw materials, and shortage of labor, the construction schedule as planned by Dr. Krauch could not be adhered to, so that at the outbreak of war, the target figures had not been reached.

* * * * * * *

* Note, however, that the plan of 12 July 1938 (*NI–8800, Pros. Ex. 442*) included chemical warfare agents, mineral oil, rubber, and light metals in addition to gunpowder and explosives.

TRANSLATION OF DOCUMENT 1436-PS
PROSECUTION EXHIBIT 445

MINUTES OF A CONFERENCE WITH GOERING AT KARINHALL ON 16 JULY 1938, CONCERNING REQUIREMENTS AND GUIDING PRINCIPLES FOR FURTHER ECONOMIC MOBILIZATION

Business transacted at conference with Field Marshal Goering at Karinhall on 16 July 1938.

(Sent OKW, no number given, Berlin, 18 July 1938.)

Field Marshal Goering formulates the requirements and guiding principles for further projects in the field of economic mobilization as follows:

[Handwritten marginal note] Armament Dept I c (Major Horch), prepared by Lieut. Col. Hedler

[I] 1. Questions of Command and relative positions of the High Command of the Wehrmacht (OKW), Four Year Plan, Plenipotentiary General, Reich Ministry of the Interior:

a. The Wehrmacht's responsibility shall be limited to *armed warfare* only. Within those limits the OKW shall issue orders and state requirements. It is in the nature of war that military interests should take precedence and be the determining factors.

[Handwritten] Economic Armament I. Goering Vol. 17-2

b. The Office of the Plenipotentiary General [GB] is *not an end in itself,* but has been created for the sole purpose of rendering war economically feasible. The *Office of the Plenipotentiary General* is *not subordinate to the OKW,* but its work shall be subject to military direction.

The OKW will state the requirements; the Plenipotentiary General will meet those requirements to the very best of his ability, without questioning their relevance. Should he be unable to meet them, he will inform the OKW, which will seek the Fuehrer's decision when fundamental issues are involved (the Fuehrer wants to make as few decisions as possible!).

The Plenipotentiary General will start functioning only in wartime. ("X-Fall"* will be carried out without him.) In time of peace his activities are limited to working out the *legal* basis for preparing a war economy; it is the task of the Four Year Plan to solve the *practical* problems.

c. The Four Year Plan's function consists in preparing the German economy for total war within 4 years. The Plenipotentiary for the Four Year Plan has unrestricted powers which he

* The code name for "outbreak of war."

can delegate, if necessary, to specially appointed plenipotentiaries general (e. g., General von Hanneken). It is intended to appoint further plenipotentiaries general for *mineral oils,* for *gunpowder and explosives,* and possibly for *power.**

The OKW is responsible for stating the military requirements. In the event of "X-Fall" and during the war, the Four Year Plan will be continued with special emphasis on projects essential to the war effort (buna, ore, motor fuels, gunpowder, etc.).

Work on less important projects, such as the Main-Danube Canal, will be discontinued. The *coordination* in wartime of the tasks of the *Plenipotentiary General* and the *Four Year Plan* must be prepared.

d. The *Reich Ministry of the Interior* is in charge of *administration.* Proposals with regard to the cooperation between the Plenipotentiary General and administration authorities at intermediate levels are to be submitted to the Field Marshal on 1 August.

2. *Guiding principles for future tasks. Mobilization preparations have to be speeded up.*

a. Closest cooperation between the offices concerned is necessary. *Disputes concerning competencies* will cease forthwith. When Germany's fate is at stake there is *no room for departmental jealousy.*

b. The present situation does not admit of basic changes of organization, e. g., in armament factories.

c. Greatest possible emphasis in all projects to be laid on *measures* producing results *as quickly as possible.*

d. Apart from preparing the German people psychologically for *total war,* the following tasks are to be given priority: Preparations for the *mobilization of the entire population,* furthermore the *prevention of a decrease in production* of certain particularly important factories in case of mobilization.

3. *Armaments industry.* The question, whether it is at present expedient to divide organization of the economy between the Wehrmacht and the Plenipotentiary General, can be shelved for the time being, pending a future decision, since—

a. the Plenipotentiary General has no trained staff.

b. at the moment the situation makes change impossible.

The Field Marshal demands that further dispute over factories shall cease immediately. First of all, no more factories are to be

* Plenipotentiaries General were later appointed for mineral oil and for power. No special plenipotentiary general was appointed for gunpowder and explosives. One of the greatly contested issues in the case was the extent of the competence of the defendant Krauch in the field of gunpowder and explosives, because of his position as Plenipotentiary General for Special Questions of Chemical Production, and because of the functions of the so-called Krauch Office as a whole. See also the order of Goering concerning plenipotentiaries general, *EC-278 Pros. Ex. 446,* which appears immediately hereinafter.

declared armament factories, but the Plenipotentiary General is to permit the Wehrmacht, without demur, to continue to place orders for mobilization work with factories essential to the war effort. Members of the Wehrmacht are to have access to factories essential to the war effort to carry out the necessary inspections in connection with those orders, in the same way as representatives of the Plenipotentiary General shall have access to armament factories.

4. *Mobilization of the entire population in war-time.*

a. National Registration Cards—Employment Records [*Volkskartei—Arbeitsbuchkartei*]

No decision was made on this point. Special report on the subject will be submitted by the Plenipotentiary General and the Reich Ministry of the Interior at the beginning of August.

b. Emergency Service Decree—Compulsory Service Decree

The decree of the Four Year Plan relating to the allocation of labor, dated 22 June 1938, is considered as sufficient for the time of tension and "X-Fall." Publication of the *Emergency Service Decree and Compulsory Service Decree* can be deferred for the time being.

c. Prevention of decrease in production in case of mobilization

Special measures to be taken to prevent a decrease in production of particularly important factories (gunpowder and explosives factories, Air Force factories) in case of mobilization. If necessary, the Wehrmacht, at first, will have to get along without the workers from these factories for the first few weeks of mobilization. Measures have to be taken at once to expedite the replacement of workers called up from the essential war factories by the Wehrmacht in case of mobilization. In this connection—

(1) the *Wehrmacht* will send lists of the armament factories and their most important supplier firms to the Reich Institute, stating the number of *additional workers required* in case of mobilization;

(2) the Plenipotentiary General will submit lists of factories essential to the war effort, and of firms to be closed down;

(3) *both* of these will submit lists of *the plants* which have to maintain the same level of production in "X-Fall" (e. g., *public utilities, gunpowder, and explosives factories*).

President Syrup is to submit pertinent proposals by 25 July. Preparations are to be made for the use of prisoners of war in agriculture.

d. Classification by higher authorities of the entire population

The protest raised by the Plenipotentiary General against the decree of the OKW/L [home defense] of 22 June, was not discussed any further. The decree therefore remains in force.

5. *Program of the Four Year Plan:* The achievements of the Four Year Plan have so far been unsatisfactory in the fields essential to the war effort, due to too much decentralization. The situation in the gunpowder and explosives industries is positively catastrophic owing to departmental rivalry.* Closest coordination of the Four Year Plan program is necessary in the factories producing the following: (*a*) gunpowder and explosives, (*b*) motor fuels, (*c*) aluminum, (*d*) buna (*e*) supply of ore.

II. *Ruling on current questions.*

1. *a.—c.*

d. All public building to stop completely, with the exception of the most important constructions of the Four Year Plan (explosives and gunpowder).

2. *Procurement of additional manpower*

a. The workers required for the construction of the *West Wall* and for the *speeding up of the rearmament program* must be made available under all circumstances. *Export* should not suffer, if possible, nor should the constructions of the Four Year Plan for gunpowder and explosives, or the Hermann Goering Works be affected. Building for the German Labor Front (Ruegen) and of the Adolf Hitler Schools may be stopped completely.

b. Requests for additional manpower to be met gradually. All requests by plants for additional manpower to be examined on the spot. (If a plant manufactures both machine-gun accessories and chandeliers, the manufacture of chandeliers must be discontinued first, before application is made for additional manpower).

c. The guiding principle with reference to the provision of additional manpower continues to be that priority should be given to measures which take effect immediately. Fortifications in the east must take second place.

3. *Reich Railways*

a. The demand of the Wehrmacht that railroad traffic should be curtailed as far as extra trains are concerned has been approved by the Field Marshal. The Labor Front is expected to concentrate on strength rather than joy.

b. Additional allocation to the Reich Railways cannot be made before 1 October 1938.

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* See the beginning of paragraph A of the defendant Ambros' memorandum requesting one "fully responsible, competent office for matters relating to new projects for the Wehrmacht" (*NI–5687, Pros. Ex. 438*), and the defendant Krauch's letter to Paul Koerner, permanent deputy to Goering as Plenipotentiary for the Four Year Plan (*NI–8840 Pros. Ex. 448*) for the organization of chemical production related to the manufacture of armaments. Both documents are reproduced below in this section.

4. *Reich Defense Decree, 4 September 1938*

The Field Marshal approved the suggestion that the OKW should be the responsible authority for this decree. The submission of the decree to be expedited.

III. *Tasks.*

1. *Submission of plans for the setup of the Plenipotentiary General's organization at intermediate levels*

The Plenipotentiary General to be in charge; OKW and Reich Ministry of the Interior to participate.

2. Wehrmacht requirements for gunpowder and explosives from the Four Year Plan.

3. No more factories to be declared armament factories after 1 October 1938.

4. Measures to ensure adequate supply of labor for armament and other factories essential to war effort, in case of mobilization:

a. Lists of armament plants and supplier firms.

b. Proposals in concurrence with Reich Institute.

c. Immediate transmittal of the decree OKW/L II [Home Defense Department II] on the allocation of personnel in war-time [handwritten question mark].

5. Increase of the steel quota for the Wehrmacht (*a–c*).

6. *Procurement of additional manpower required at the moment* by means of investigation in factories.

7. *Speedy submission of the Reich Defense Decree by L.*

8. *Proposal by intermediate and higher levels for the organization of transportation in the light of war economy.*

TRANSLATION OF DOCUMENT EC–278
PROSECUTION EXHIBIT 446

DIRECTIVE OF FIELD MARSHAL GOERING CONCERNING THE PLENIPOTENTIARIES GENERAL AND THEIR AUTHORITY, 16 JULY 1938

[Stamp] Top Secret

[Handwritten] 124
Berlin, 16 July 1938
40 copies, 3d copy

Minister President Field Marshal Goering
Plenipotentiary for the Four Year Plan
St. M. Dev. 1008 Rs

[Stamp]
WStb [Economics Staff] I
21 July 1938
File No. 1, No. 2219/38 gR

[Stamp]
Armed Forces High Command
21 July 1938
WStb

[Handwritten] 21 July [two illegible initials]

The political situation, particularly the necessity for speeding up the execution of the Four Year Plan and the readiness for mobilization compels me, regardless of all objections, to appoint so-called Plenipotentiaries General for various fields of special importance; * thus for example, I have already appointed Brigadier General von Hanneken as Plenipotentiary General for Iron and Steel Production and Allocation. The Plenipotentiaries General act on my direct orders and therefore are covered by the full power I have been given by the Fuehrer. They are entitled to take any measures in the specials fields assigned to them and to provide all authorities and offices with the instructions necessary for this. These instructions are to be carried out immediately, for they are given on my orders. I therefore request all Supreme Reich Authorities to see to it that the Plenipotentiaries General not only meet with no resistance, but that every possible support is given them.

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* The defendant Krauch testified that he was appointed Plenipotentiary General for Special Questions of Chemical Production (Gebechem) in July 1938, but that he never received "any document" or "any written appointment" (Tr. pp. 5114–5115). A letter from the Reich Minister of Economics to the defendant Krauch (*NI–820, Pros. Ex. 463*) reproduced below in subsection G 5, speaks of a "decree of 22 August 1938 concerning the appointment of the Plenipotentiary General for Special Questions of Chemical Production", but this decree was never found and hence was not introduced in evidence.

The fields for which I will appoint Plenipotentiaries General and the persons in charge of them will be announced in the near future. Objections to instructions, orders, and measures of the Plenipotentiaries General are to be addressed to me. I emphasize, however, that these objections will not have any postponing effect whatsoever and that the instructions, orders, and measures issued are to be put into operation immediately regardless of contrary opinions.

Only thus will it be possible to execute the orders of the Fuehrer. The Plenipotentiaries General are acting under my immediate orders, or under those of my permanent deputy [Paul Koerner] and they are, therefore in their field not subject to any instructions from other authorities. Any other functions beyond this order are not touched.

I request you to inform the subordinate offices about these instructions immediately.

[Seal]

Minister President Field Marshal Goering,
Plenipotentiary for the Four Year Plan

Signed: GOERING
Certified:
[Signed] KRUEGER
Admin. Assistant

To:

(*a*) The Reich Ministers.
(*b*) The Prussian Minister of Finance.

[Handwritten] to the files 11 b [File]: Chain of command [Spitzengliederung]

TRANSLATION OF DOCUMENT NI-8840
PROSECUTION EXHIBIT 448

LETTER FROM DEFENDANT KRAUCH TO STATE SECRETARY KOERNER, GOERING'S PERMANENT DEPUTY FOR THE FOUR YEAR PLAN, 22 JULY 1938, CONCERNING A MEMORANDUM OF GENERAL BECKER, CHIEF OF THE ARMY ORDNANCE OFFICE

[Handwritten] Dr. C. Krauch

[Handwritten] Version as dispatched

Berlin W 9, Saarlandstr. 128,

22 July 1938

[Stamp] Top Secret

Dear State Secretary,[1]

In connection with the points outlined by General Becker[2] in his letter of 21 July 1938, I beg to comment as follows:

Point 1. Gunpowder, explosives, and chemical warfare agents can be considered almost exclusively as Wehrmacht requirements, seen solely from the point of view of the consumer. From the point of view of the manufacturer, however, they represent an inextricable part of the productions of the chemical industry, which are strongly interwoven one with another, so far as processes are concerned.

Point 2. Any decision regarding the utility of gunpowder, explosives, etc., is of course entirely a matter for the Wehrmacht, as is also the processing of gunpowder and explosives to produce finished munitions, as well as their supervision and storing. The idea of allowing the testing and delivery conditions to be prescribed by the industry has never been contemplated, nor indeed of detaching from the province of the Army Ordnance Office anything to do with testing and finishing of munitions. On the other hand, the development of the processes and creation of these materials is the concern of the industry.

Point 3. Even though apparently a portion of the preliminary products for the mobilization production of gunpowder, explosives, etc., can find no direct utilization in a peacetime economy and therefore can only be kept ready in standby plants, nevertheless, these preliminary products, after all, originate in the normal productions of the chemical industry. The fertilizer nitrogen

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[1] The document offered as an exhibit was a photostat of the carbon copy of the original of this letter. The carbon copy did not further identify the addressee. However, it was not denied that this letter was sent to State Secretary Koerner, Goering's permanent deputy for the Four Year Plan. Goering, in his directive concerning the Plenipotentiaries General (see last document reproduced above) had stated that the Plenipotentiaries General acted either under his orders or those of his permanent deputy.

[2] Chief of the Army Ordnance Office, often abbreviated as the "HWA."

basis, through the decline of its export in case of mobilization simultaneously becomes the backbone of the entire production of nitric acid and ammonium nitrate. The latter in turn, will be produced through the conversion of plants which, in peacetime, manufacture special kinds of fertilizer. This applies particularly to the whole of the ethylene chemistry, which, together with diglycol for gunpowder and the chemical warfare agents, is inextricably connected with all coking plants and those for mineral oil syntheses. The more recent developments in plastics, especially, show possibilities of the greatest scope for ethylene chemistry also in peacetime economy. Only the closest coordination of peacetime economy production and products of military importance can ensure the utmost utilization of military-economic energies, which, however, cannot be achieved by the construction of stand-by plants which are detached for peacetime industry. These very reasons make it essential to deal with the problem of chemical production as a whole, in order to seek ways of finding peacetime utilization for those preliminary products for which at present none exists. Only a complete survey of the over-all requirements of the chemical industry can make this possible.

The manufacture of armaments, used as a comparison by General Becker, does not correspond to the conditions of chemical production. Armament manufacture can be compared with the manufacture of munitions, since both entail a purely mechanical process. The production and refinement of steel corresponds to the manufacture of chemical products. The Army Ordnance Office does not, however, seek to supervise steel production and refining.

In the field of munitions and equipment—its own special sphere of work—the Army Ordnance Office advocates the sound principle of having equipment and ammunition manufactured in every possible iron-processing industry in case of mobilization.

I follow the same principle in the sphere of military economy as applied to chemical industry. The complex processes of production that have to be used there, however, require a precise knowledge of the inter-relation of chemical processes. The productions important for military purposes (especially gunpowder, explosives, and chemical warfare agents) cannot, without detrimental effect, be detached from the over-all structure, as the Army Ordnance Office wishes to do.

The collaboration of forces within the chemical industry does not signify any breaking away from the Wehrmacht, but rather denotes the utilization of the best available forces of chemistry as a whole, and not merely of the explosives industry, for the realization of the requirement target set by the military.

Point 5. The former Office for German Raw Materials and Synthetics, at my request, as far back as the end of 1936, repeatedly directed the attention of the Wehrmacht to the urgent necessity for stockpiling.* Already at that time, for example, I requested that considerable quantities of toluene be stored up for the existing explosives factories. Measures taken to increase the production of toluene then had the result that the producers could not dispose of their products to the explosives factories, as the latter had no orders and, finally, the increased production again had to be stopped, because their warehouses were overflowing as arrangements had not been made in time to provide tanks for stockpiling. The same is true of diglycol and oxol (as a preliminary product for mustard gas), where the few plants that actually existed were put to use for stockpiling only after my repeated insistence—in March/April 1937—or, in some instances, were even rendered workable (Ammendorf, Wolfen).

Subsequently, I also, as an advisory technical expert, repeatedly pointed out the possibilities of technical and raw materials expansion.

Point 6. The Army Ordnance Office has always evinced great interest in the possibilities of production increase as emphasized by me.

The insufficient results actually obtained seem to me to be attributable to the lack of determination on the part of the agencies hitherto concerned with such expansion.

The facts are that the following manufacturing possibilities exist for gunpowder and explosives:

Gunpowder	*Number*	*Production potential in tons per month*	
Plants ready for production	8	5,700	by autumn 1938.
New constructions or extensions	9	6,400	by autumn 1940.
Total	17	12,100	against a requirement of 17,900 (Hindenburg program).
Explosives			
Plants ready for production	11	7,600	by autumn 1938.
New constructions or extensions	3	500	by middle of 1939.
Total	14	8,100	against a requirement of 17,100 (Hindenburg program).

* Note the cross-examination of the defendant Krauch reproduced in 7a below.

I have given the Hindenburg program as a basis for comparison of the results attained, because in the major campaigns of 1918 the peak consumption in one month almost reached the actual quantities required under the program.

In my opinion the Hindenburg program only represents the lowest limit of requirements, since in World War I neither flak nor bombs played anything like the role which they have today.

Furthermore, it is known to me that countries abroad, especially England and America, have been working intensively for the last 2 years on the extension of their chemical warfare agents basis.

For the year 1919 the United States planned a production of 100,000 tons per annum of chemical warfare agents, chiefly mustard gas. Against these figures, we have a production today of about 10,000 tons per annum, i. e., one-tenth.

During the last 2 years we have not taken nearly as many measures as are necessary for utilizing the available domestic raw material potentialities for these purposes.

The countries abroad for their own needs mostly plan for requirements far in excess of the quantities in manufacture at the end of the war.

With regard to the reproach that the Four Year Plan had delayed the construction of the plants for preliminary products, it is to be stated that, for example, the Office for German Raw Materials and Synthetics in the middle of 1937, resolutely began the construction of four pentaerythrite plants, without the necessary means having been first placed at their disposal. Up to today, no RV* funds have been made available for the erection of these Reich owned plants. How far the granting of these funds by the Finance Ministry may possibly have been prevented from other quarters cannot be ascertained. The taking over of these factories for preliminary products by the Army Ordnance Office was effected because the building firms finally had to obtain the sums advanced and the Ordnance Office placed the necessary means at their disposal.

Furthermore, with reference to the above-mentioned plants producing chemical warfare agents, it is to be stated that the thiodiglycol plant in Trostberg was not started, because no means were made available and because, moreover, a process was about to be completed which would reduce the cost of the plant by about 25 millions and would also greatly simplify operations (acetylene-hydrogenation instead of the acetaldehyde-ethyl alcohol method hitherto employed).

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* RV = Reichsverteidigung (Reich Defense).

This simplification of the process will at the same time effect a considerable saving in building time, which will almost offset the delay mentioned by General Becker.

Point 7. The discussions which have recently been held with the responsible persons of the branches of the industry concerned with the expansion program have revealed that the method proposed by me will be particularly effective in achieving an acceleration of the production increase, and that the delays that have occurred hitherto have been entirely due to red tape and not by any means to the excessive demands made on these firms. The firms concerned are willing and eager to assume the responsibility themselves for the quickest possible accelerated execution, for which, of course, they must be accorded the state assistance I have proposed.

I cannot, therefore, share the fear expressed by General Becker that my intervention might cause a delay in the extensions and new constructions already started by the Army Ordnance Office. On the contrary, my negotiations up to date with the leading representatives of industry have confirmed that it will also be possible to effect acceleration of the building program initiated by the Ordnance Office, which will of course be continued. Industry has already declared its willingness to devote its best abilities to the carrying out of the task I should set them. The more initiative is restricted by official interference, the more the interest will inevitably slacken. It will not do to doubt from the very beginning the honest intention of decent men, to be found in industry no less than elsewhere, which doubts commonly serve as justification for such interference.

Point 8. As already stated, the production of gunpowder, explosives, and chemical warfare agents involves chemical processes. They cannot therefore be treated as distinct from the rest of the chemical industry.

I shall of course act in closest cooperation with the Army Ordnance Office.

Point 9. The training of the service personnel has, of recent years, since the existence of the first stand-by plants, been undertaken by the firms themselves and they have always had to complain of lack of understanding on the part of the military authorities for their technical and material requirements.

As a matter of policy, standby plants which must be erected should, whenever possible, be linked with factories engaged in peacetime production which are already in existence or about to be built. The questions of supplying the necessary personnel and of constant preparedness in case of mobilization will then be much more easily and safely solved. It is precisely the ever-grow-

ing shortage of suitable manpower which forces us to adopt such measures.

In principle, I should like to add to the statements made by General Becker that in the National Socialist State the responsibility of the individual producer must be raised to the highest level. Neither the chemical industry nor the equally important gunpowder and explosives industry are undertakings which can set up production installations to order, according to a hard and fast rule; they endeavor, on the contrary, from a sense of responsibility to fulfill the tasks set to the best of their ability. If it is demanded that these works are to carry production only under constant supervision and in accordance with detailed directions, almost the whole of the chemical industry, together with its supplier firms, would have to be placed under the same control.

This is bound to give rise to an inflexibility which has in fact been observed to affect development during the last few decades, particularly in the explosives industry. The new processes for the production of explosives, as well as the solution of problems of raw materials in the gunpowder and explosives industry, spring almost exclusively from the wealth of ideas of the rest of the chemical industry. The explosives and gunpowder industry, therefore, should not be kept apart, as has hitherto been done by the military authorities, but must be incorporated in the framework of the chemical production of Germany as a whole.

The method hitherto used, and which General Becker wishes to maintain, has not led to success and cannot be retained because it takes away responsibility from the industry and cripples its initiative. The aim, on the contrary, must be to arouse initiative, to give scope to the industry for self-development and to encourage responsible and independent action.

It is the task of the military authorities to state their requirements as to quantity and quality; it is the task of industry to fulfil these requirements in the shortest possible time through processes of manufacture and the utilization of all the technical possibilities. It is not the task of industry to determine how many guns will be required by the Wehrmacht and how much gunpowder and explosives will be necessary for them anymore than it is the task of the officers to prescribe in detail the processes or the method by which this purely chemico-technical aim is to be attained.

It is not necessary to create a special organization for the realization of the expansion plans, as General Becker believes. This already exists in a German industry ready for action and in my staff of collaborators in the Reich Office for Economic Development.

As the result of my verbal instructions, the industry has already begun with the work.

There results, therefore, a clear division of duties between the Army Ordnance Office and my province of work:

The factories of the chemical industry deliver to the Wehrmacht the products required, i. e., gunpowder, explosives, and chemical warfare agents and, in the course of their production plans, erect the necessary installations.

The Army Ordnance Office tests, controls, and procures, as hitherto, but without concerning itself with the erection of manufacturing plants for chemical products. The whole question of the processing of ammunition, explosives, and chemical warfare agents, as well as all questions concerning the manufacture and stockpiling of munitions, is exclusively the task of the Army Ordnance Office.

It should be considered whether, for the fulfillment of special tasks, the chief of the Army Ordnance Office should not be accorded special authority for the procurement of munitions and equipment.

The clear division of tasks seems to me to offer more than anything else the guarantee for a fruitful collaboration with the Army Ordnance Office.

The soldier will indicate to the technician what military requirements demand of the German economy, and the technician will do his best, by adaption of the technical possibilities, to achieve this aim.

In the expansion plan approved and ordered to be carried out by the Field Marshal the aim is already prescribed. The best technical way for its realization is to be found only in thorough collaboration with and confidence in the industry concerned.

The ideas of private enterprise feared by General Becker are bound to be eliminated by the fact that the necessary means are always available to prevent abuses. For this reason, I have selected my staff principally from the industry concerned and for 18 months have trained their minds to concentrate on these tasks in order that the principles of national economy advocated here could take root in the industries concerned.

The conversation between General Becker and myself showed that there was full accord between us so far as the ultimate aim was concerned. The measures instituted by me received his approval, and it was arranged that a specially qualified officer of the Army Ordnance Office should be appointed as liaison officer.

Heil Hitler!

Your very respectfully

[Signed] C. KRAUCH

PARTIAL TRANSLATION OF DOCUMENT NI–8797
PROSECUTION EXHIBIT 449

MEMORANDUM OF THE KRAUCH OFFICE, 8 AUGUST 1938, CONCERNING OBSTACLES HINDERING INDUSTRY IN ACCELERATING THE CONSTRUCTION OF GUNPOWDER AND EXPLOSIVES PLANTS, AND THE RAPID PLAN OF 13 AUGUST 1938

[Handwritten:] 3 copies
1 copy to Krauch
1 copy to Bauer
1 copy to Ritter

Berlin, 8 August 1938

Reasons for the difficulties which up to the present have hindered industry from accelerating the construction of gunpowder and explosives plants

Industry complains of the *absence of a* clearly-defined *program* for:

a. construction of new explosives and gunpowder plants for mobilization requirements;

b. procurement and stockpiling.*

As a result of these observations, industry believes that the Army Ordnance Office does *not* possess in detail the *necessary general picture* of the possibilities of the German chemical industry and the raw materials situation.

Example: In spite of the fact that the Benzene Association (Benzolverband) has for years been indicating the possibilities of an increased supply of toluene, the Army Ordnance Office has shown an interest in the construction of a new trinitrotoluene plant and requested the explosives factories to build up stocks of toluene. (The *new* military economic production plan includes the construction of a new plant with double the usual capacity, as well as the enlargement of 4 trinitrotoluene plants.)

The industry complains of the *lack of acceleration* of the expansion up to date and has the feeling that the Army Ordnance Office is not completely convinced of the necessity for it. Otherwise, it would have been possible for the Army Ordnance Office to speed up the urgent construction project as far as gunpowder and explosives were concerned on its own authority, by exercising powers similar to those now required for and applied to the new plan.

According to the present methods of the Army Ordnance Office,

* For further material on these questions, see the sections below on standby plants, stockpiling, and storage.

the erection of the plants proceeds in accordance with strictly defined regulations, which leave the industry charged with the erection very little freedom of action. For example, even when plants of a similar nature have already been erected several times in other places, tenders must be obtained from three contractors each time and intricate process for the placing of the order observed.

Basically, it is the *trustee-relationship* of which the industry feels the lack. This applies as much to the construction of new plants as to the general setting of the target for the expansion and development as a whole. Only if the industry is accorded that confidence—which its many years of service have presumably earned for it—can it apply itself with all the means at its disposal to the attainment of the goal set, without having constantly to be burdened at the last moment with sudden unforeseen tasks which then can naturally be carried out only with exceptional difficulty.

The industry also suffers from a certain mistrust evinced by many authorities, which think that the industry is trying to increase the number of orders only for reasons of profit instead of being grateful to the industry for pointing out, upon its reflections on the subject, the deficiencies which exist and the means of making amends.

As far as the supply system is concerned, the fact that the orders placed are always relatively small and are divided up into correspondingly small periods is felt to be a serious defect. With a large-scale production program, it would be possible to provide the various sections of the industry with orders running *without interruption* over a number of years, until the desired point in the supply program is reached.

A further irksome interruption for the industry in the distribution of orders is caused by the observance of the fiscal year, at the beginning of which orders come in batches, whereas during the last three months, the production plants are often very little used.

The industry complains of insufficient application to the purpose in hand as far as development in connection with the mobilization project is concerned.

Example: Hitherto the large-scale production of ammonium nitrate for the mobilization program as a result of the conversion of fertilizer salt plants has been possible only for one particular quality (68 G). The industry indicated these possibilities two years ago and produced samples. Even now, however, no decision has been given by the Army Ordnance Office, as to which sample should be used in the event of mobilization.

Furthermore, there is an absence of application to the purpose in hand as far as the question of casting mixtures [Gussmischungen] is concerned, which is of the greatest possible importance to the mobilization project.

[Stamp] *Secret*

Rapid Plan dated 13 August 1938
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12 copies, 11th copy 13 August 1938

Rapid Plan of 13 August 1938 for the production of gunpowder, explosives, and chemical warfare agents, including preliminary products

The present *Rapid Plan,* † as compared with the accelerated production plan of 30 June 1938, represents an additional increase in production capacities for gunpowder, explosives, and their preliminary products.

† References:

a. Summary of production plan for gunpowder, explosives, and chemical warfare agents, including preliminary products of *10 June 1938.*

b. Summary of an accelerated production plan of *30 June 1938* for gunpowder, explosives, and chemical warfare agents.

c. Draft of a Rapid Plan of *13 August 1938.*

In the opinion of the authorities concerned as well as of the industry for which the plan is drawn up, the maximum increase possible will be effected under the Rapid Plan by the autumn of 1939.

The details of the Rapid Plan have been coordinated and full agreement reached between OKW (WStb) [High Command of the Wehrmacht—Military Economics Staff], the OKH (Wa A) [High Command of the Army—Army Ordnance Office], and Dr. Krauch.

The present Rapid Plan is from now on the *common foundation* for further procedure for all the authorities concerned.

By the end of 1939, the capacity will have been so far increased under the Rapid Plan that the highest German production capacity achieved in the World War will, in effect have been reached in all fields:

Gunpowder, approximately 13,250 tons per month, equalling the highest of production reached by Germany in the World War (13,000 tons per month).

Explosives (without diluents or fillers), approximately 13,600 tons per month, equalling the highest level of production reached by Germany in the World War (14,000 tons per month).

Chemical warfare agents, approximately 2,900 tons per month, equalling the highest level of production reached by Germany in the World War (3,000 tons per month).

(now, however, including approximately 55 percent ground-contaminating agent, mustard gas, as against approximately 14 percent in the World War).

The accomplishment of the Rapid Plan will only be possible if very special (war emergency) powers are granted to the authority responsible for its execution.

Necessary Powers and Allocations of Material

1. The orders placed by the construction firms (trustee firms) with the suppliers (especially in connection with apparatus and iron construction) must be given *priority over all other orders (including export orders).* †

† The Rapid Plan involves only a small fraction of approximately 3 percent of the total output of German industry. Crude steel production in 1937 amounted to about 19.8 million tons (13.8 million tons of cast steel and rolled steel products, or finished machinery and apparatus). This quantity of 13.8 million tons was therefore manufactured by German industry in one year. The Rapid Plan calls for approximately 400,000 tons in one year, i.e., about 2.9 percent of 13.8 million tons.

2. Orders for the Rapid Plan should be given a *special code number* or code word, the meaning of which must immediately be imparted to the iron-processing industry, etc.

3. *A special quota of iron* must be made available immediately (by the withdrawal of quotas from other consumers). The following are essential:

For last quarter of 1938: 105,000 tons (35,000 tons per month).

For 1939: 130,000 tons per quarter (43,400 tons per month).

The OKH (Army Ordnance Office) at present, up to April 1939, has available, for the purpose of increase in the production of gunpowder, explosives, chemical warfare agents, and preliminary products, 10,000 tons per month, i. e., 30,000 tons per quarter. On the assumption that this quota also will be available for the fiscal year 1939/40 and ensuing years, the following will still be required in *addition:*

For the last quarter of 1938: 75,000 tons (25,000 tons per month).

For 1939: 100,000 tons per quarter (33,400 tons per month).

These quantities of steel must be placed at our disposal immediately according to plan.

4. The following *funds* must be provided on request:

For last quarter 1938: 105 million reichsmarks (35 million reichsmarks monthly).

For 1939: 130 million reichsmarks per quarter (43,4 million reichsmarks monthly).

So far, 120 million reichsmarks per fiscal year (30 million reichsmarks per quarter) have regularly been at the disposal of the OKH (Army Ordnance Office) for this purpose. On the

assumption that this sum also has been provided for the fiscal year 1939/40 and the ensuing years, the following will still be required *in addition:*

For the last quarter of 1938: 75 million reichsmarks (25 million reichsmarks per month).

For the year 1939: 100 million reichsmarks per quarter (33,4 million reichsmarks per month).

5. *Nonferrous metal requirements* have been calculated only for the Plan as a whole. They are comparatively small and their fulfillment will not present any difficulties.

6. *Manpower* requirements for the construction work amount to approximately 18,000 men for 1938. In 1939, requirements will increase to a maximum of 23,000 men, to decrease towards the end of 1939 to 14,500 men.

Fundamental Ideas Underlying the Rapid Plan

1. To increase, wherever possible, the output of factories already in existence by means of simple expansions which can be carried out at a relatively small cost. (Not merely to establish new works "in green pastures.") ["auf die gruene Wiese setzen."]

2. To accelerate by all possible means, the experiments still to be carried out in connection with technical development (hexogen, ethylenediaminedinitrate, mustard gas made by Direkt-Lost process), wherever this is necessary preliminary to the construction of major plants. This would make possible the giving of priority to the production plants.

3. *Gunpowder.* Acceleration of plant construction already under way; immediate construction of new gunpowder factories which will make possible the attainment of the maximum output of which the gunpowder industry is capable.

Explosives. Immediate enlargement of 4 existing trinitrotoluene plants; immediate construction of new tri-plants, to render possible the full exploitation of raw material (toluene) facilities. Maximum possible expansion of the benzene-toluene distillation plants of the coke works. Construction of new toluene-synthesis plants. Preparation of the new trinitrotoluene plants so that, in case of emergency, they also can manufacture dinitrobenzene. Installation of apparatus for oleum regeneration (Speich method) in existing and in projected new trinitrotoluene plants to cover the oleum demands. Wherever possible oleum regeneration process to be used in the diglycol-gunpowder factories also.

Giving priority to the first major hexogen plant (K or SH processes) by immediately starting construction of the plan for the production of hexamethylenetetramine on the site of the hexogen plant to be erected later.

Increase of the dinitrobenzene output of the chemical industry (for fillers).

Chemical warfare agents. Immediate construction of the major mustard gas (Direkt-Lost process) experimental plant and of the technical college in Schkopau, instead of in Huels, as originally planned. This will make it possible to give priority to the major plants. (This was already scheduled in the plan of 30 June 1938.)

4. Industry must embark immediately upon the *training of factory hands* for the plants working under the Rapid Plan, in order that they may be able immediately to operate the plants as they become ready for production.

Investigations are continually being carried out, in conjunction with the industry, on the exploitation of all possibilities in the field of gunpowder and explosives as well as that of substitute explosives. The question of the utilization of the possibilities of the chemical industry for the production of substitute chemical warfare agents is also being examined.

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TRANSLATION OF DOCUMENT NI-5687
PROSECUTION EXHIBIT 438

LETTER OR MEMORANDUM* OF DEFENDANT AMBROS ADDRESSED TO DEFENDANT KRAUCH, 27 JUNE 1938

I.G. Farbenindustrie Aktiengesellschaft Ludwigshafen/Rhein
Intermediates Group

Director Dr. Krauch

Dr. A/Kr. 27 June 1938

In compliance with your request we give you our personal impressions of the execution of the expansion program for the manufacture of chemical warfare agents and explosives in Germany.

A

Since at present, German industry is overburdened by the many projects of the Four Year Plan, and also by the increase in exports, we request that in future industry should deal only with *one* fully responsible competent office for matters relating to new projects for the Wehrmacht.

This office must be able to make decisions regarding (1) overall plans for chemical rearmament, (2) contractual regulation and financing of the projects, (3) allocation of building materials and labor.

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* This document was found in the Legal Department of Farben's Ludwigshafen plant. The exhibit was an unsigned carbon copy. The defendant Krauch's testimony on this exhibit appears in the transcript at page 5097. Krauch testified that this was "simply the draft of a letter which Ambros intended to send me." The defendant Ambros testified (Tr. pp. 7914, 7964, 7965, 7966): "According to my recollection, that was a memorandum for me. It did not go out as a letter to Mr. Krauch, as he himself confirmed from this witness stand. I would have used some form of address in writing to Krauch. I would not just write, 'Professor Krauch'; and I would have signed it. I would also have observed outward appearances and would have filled all the pages in a similar way, but I hear that the original shows pages of different lengths. But quite aside from all that, I will be glad to explain the contents of this letter, because I believe it contains ideas that I actually held at that time. * * *

"Under 'a' it is said that in the year 1938 industry was greatly overburdened; it was working to promote exports, and received many Four Year Plan projects. I believe that I recall that Professor Krauch said to me once: 'What is your impression? How is it in the administration?' In reply I recorded here, There is a great deal of confusion. The entire letter is very frank criticism. * * *

"I was never an official in any government agency. This is the expression of opinion of a private businessman who is asked by an official agency, 'What do you think? What is the situation?'—and perhaps I dictated this letter, as one does, to get clarity in one's own mind. I only know now—and Mr. Krauch confirms this—that it was never sent out. Probably it was found among the drafts of my letters." Q. (By Dr. Hoffmann, counsel for Defendant Ambros): "Now, Mr. Ambros, did you realize at the time, or do you believe at all, that this draft of yours had any influence anywhere—let us say, on the Karinhall Plan?" A. "No, it could not have had any influence because, first of all, the Karinhall Plan was nothing new. The Karinhall Plan, as has been shown here, was only a new formulation of existing plans which had partly been drawn up by the OKH in connection with rearmament, which the Office for Raw Materials and Foreign Exchange had drawn up in the program for saving foreign exchange; and then I believe there were some points which went beyond Germany, according to what we heard here."

What is lacking at present is cooperation between the Reich Office for Economic Development and the many Wehrmacht offices, and we give you below a few typical examples:

1. *Building up of diglycol stocks.* The Reich Office, now, in June, for understandable reasons is insisting on the stockpiling of diglycol, whereas the Army Ordnance Office is reluctant to do this. As late as April, for instance, the productive capacity of the Wolfen plant was reduced by about half, and the purchase of the production of Ludwigshafen was stopped entirely.

2. *Diglycol plant at Schkopau.* Since last year the former Office for German Raw Materials and Synthetics, now the Reich Office for Economic Development, has been negotiating with I.G. through the Frisia Holding Company regarding the construction of a diglycol plant at Schkopau. Negotiations were drawn out because of the financial part of the scheme, and because of questions of ownership concerning the real estate to be transferred. In the meantime, however, we have gained the impression that the Reich Office has no right whatever of disposal over public means, which probably means, therefore, that only the Army Ordnance Office, which constantly emphasizes its rights in this matter, has any jurisdiction to do this. It is for this reason that we conducted the negotiations, which will presumably be concluded in a few days, with the Army Ordnance Office and not with the Reich Office. The situation now is that the plant for preliminary products at Schkopau, which was provisionally built with IG funds, will be completed in a few weeks, but—as we have already stated —negotiations are still being carried on regarding the sector dealing with the processing of ethylene oxide into diglycol.

3. *Army Ordnance Office plant at Trostberg.* On the other hand, however, the Army Ordnance Office, for instance, has been working on the final stage in the processing of poison gases at Trostberg since 1937, although even today no definite conclusion has as yet been reached concerning the process used in the production of the preliminary products, and it may be years before one knows how much work the final stage will entail; and all this at a time, when, as is known, there is such great scarcity of materials!

A remarkable fact is that the Reich Office is striving to bring about the expedient merging of the standby plants with the existing factories, whereas the Army Offices often prefer the plants to be constructed "in green pastures" ["auf die gruene Wiese"]. We are of the opinion that in most cases this does not really result in the desired camouflage whereas the necessarily speedy construction of the plants always entails great difficulties

and also requires more materials. This is especially the case where a new power system has to be installed.

When we come to the actual contracts, and more especially the financial side, we always find the slowness of the formalities a great disadvantage. The result is that today industry has to tackle most projects on the basis of provisional decrees.

As for the problem of the allocation of materials and the correct direction of labor, we would point out that it is not enough to allot quota numbers; what is required is that there should be a better coordination of plans, in other words, priorities should be better applied. Today the bottleneck in carrying out the construction work for the many projects is no longer due to the scarcity of iron, but the excessive workload in the German machine factories. Surely more progress can be made by carrying out a few projects rapidly than by dragging along laboriously with many new projects, as is very often the case at present. We need hardly mention what a heavy burden this "rush to meet deadlines" puts upon our construction offices and, above all, the financial effects of this halting method of construction. In addition, there are the Supervisory Offices [Ueberwachungsstellen] which take a hand in the allocation of scarce metals. It falls mainly to private enterprise to deal separately with these authorities too.

B

As regards the separate competencies of the Reich Office [for Economic Development] and the various Wehrmacht offices in the field of research, we are equally in the dark.

Actually, the major advances in the field of chemical warfare agents and explosives should come—as is the case in other countries too—from the industrial research laboratories. Industry is in the best position to judge as to the supply of raw materials and technical processes. It is, therefore, sufficient (it may even be an advantage) if the official agencies confine themselves to reviewing results, financing experiments, and issuing directives for further research. But as mentioned under A, at present we do not know which of the many official agencies is really competent.

In the Army Offices tests are supervised by officers who, unfortunately, return to active service after a while, so that there is no permanency whatsoever. The permanent civilian specialists cannot remedy this great disadvantage, for in the organization as it exists at present they do not have a chance to make their influence felt.

In our opinion, for what it is worth, rearmament in the field of chemical warfare agents is inadequate and has to all intents and purposes remained at the 1918 level. Only during the last

few months have attempts been made to apply technical advances to the old chemical warfare agents and to develop new types under the driving force of industry, especially of I.G. (compare mixed mustard gas [Mischlost], N-mustard gas, etc.).

In the interest of our defense, therefore, we consider it expedient to set up the following organization at once:

A single responsible office must be created on the pattern of the British Ministry of Defense, which will decide all questions pertaining to research, planning, financing, and contractual settlements, and supervise execution, and which will be acknowledged as the voice of the Wehrmacht and of all competent Reich Ministries.

This office should set up a supervisory board composed of responsible representatives from the Army, the Reich Ministry of Finance, the Reich Office for Economic Development, as well as from industry, which will act as a preparatory committee to work out recommendations and submit them for decision, in the same way as the "Defense Council" during the World War.

This board would guide research and determine planning, particularly the priority of the projects.

The Defense Ministry would then make arrangements for the financing and contractual settlement through the Ministry of Economics. The putting into operation, the supply of raw materials, allocation of labor, regulating of tariff questions, etc., would be effected through the Office of the Four Year Plan, in other words, by the Reich Office for Economic Development.

If German rearmament is to proceed with the necessary speed and on the basis of national principles, we should deal with one single, responsible office.

TRANSLATION OF DOCUMENT NI-7428
PROSECUTION EXHIBIT 217

LETTER FROM DEFENDANT KRAUCH TO FARBEN'S LUDWIGSHAFEN PLANT, 26 AUGUST 1938, CONCERNING THE EXPANSION OF CERTAIN INTERMEDIATE AND DIRECT MUSTARD GAS EXPERIMENTS, AND DISCUSSING KRAUCH'S AUTHORITY IN THIS FIELD

Dr. C. Krauch [Stamp] Berlin W 9, Saarlandstr. 128
Dr. C. Krauch 26 August 1938

Plenipotentiary General of Minister President Field Marshal Goering for Special Questions of Chemical Production

Confirmed on 5 September 1938

[Handwritten] OV [Initials] LK

To: I.G. Farbenindustrie A.G., Ludwigshafen/Rhine

Subject: Diglycol Expansion, Ethylene Experimental Plant Sodingen, Direct-Process [Direkt-Lost] Mustard Gas Experiments

In accordance with the decision of Field Marshal Goering of 22 August 1938 I give you the additional information that the building projects for diglycol expansion, ethylene experimental plant Sodingen, and Direkt-Lost experiments have been classified as urgent top priority building projects, for which no postponement of the deadline set for their completion can be tolerated.

Field Marshal Goering has appointed me his plenipotentiary in this sphere of work. My task is

> "to further the execution of the production program with the utmost energy, constantly to control the work necessary to carry this out, to remove all obstacles which might arise as quickly as possible, and to ensure all conditions necessary to carry on the work in accordance with instructions."

Some time ago you already received an order from the Army Ordnance Office for the expansion of the plants mentioned above.

I am responsible for the procurement of the steel, the funds and the workers, as well as for the supervision of the construction work.*

Individual settlements with you in your capacity as trustee, as well as individual allocation of steel, will also in future be made

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* Upon direct examination, Defendant Krauch testified that his statement was incorrect (*tr. pp. 5103 and 5104*). See the extracts from Krauch's testimony reproduced below in subsection G 7.

in the same manner as hitherto by the Ordnance Office of the High Command of the Army.

For the orders in regard to the building projects mentioned above a special code number will be supplied, which I shall make available to you exclusively for the orders pertaining to the above building projects. You are responsible to me for any misuse of the code number.

The iron-producing and iron-processing industry has been instructed by the Control Office Iron and Steel that all orders bearing this code number are to have priority over all domestic orders. In case your orders interfere with the suppliers' export orders, I request you to contact me at once, in order to clarify immediately the case in question, in agreement with the Reich Ministry of Economics, and to decide the sequence of execution.

I have created a staff to assist me and charged Dr. Ahl with the management of the work in the field mentioned above.

Furthermore, with the consent of the Ordnance Office of the High Command of the Army and the Military Economics Staff of the High Command of the Wehrmacht, I have commissioned *Dr. Max Wittwer* * *Ludwigshafen/Rhine,* to give technical advice and to supervise all building projects in the sphere of *organic chemical preliminary products.* Dr. Wittwer is responsible to me for correct planning concerning output and technical procedures, and he has to see to the technically expedient execution of the projects in regard to location and the layout of the factories. He has to advise and support you continually concerning the construction of the plants. Basic changes and expansions of the plants have to be discussed beforehand by you with Dr. Wittwer.

I request you to name the leading technician whom you have charged with the construction of the plants mentioned above. He is responsible for the completion of the projects as per schedule and has to inform Dr. Wittwer or Dr. Ahl at once of possible obstacles, such as delivery delays, difficulties in negotiations with the authorities, procurement of manpower etc., and keep him currently informed. I also should like to mention that in accordance with an order by the Field Marshal, future planning will take place under my direction in close cooperation with the Wehrmacht, and I therefore request you to inform me immediately of any questions arising in future in the field of production of organic chemical preliminary products. The questions will then be dealt

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* Dr. Max Wittwer was an official of Farben's Ludwigshafen plant. Between 1936 and 1940 he was an adviser to the Office for German Raw Materials and Synthetics, and to the Krauch Office, concerning ethylene chemistry. Beginning in 1940, he was manager of the Gendorf plant of Anorgana G.m.b.H. See testimony of defendants ter Meer and von Knieriem (K 3 below) regarding Montan plants.

with in closest collaboration with the Wehrmacht offices concerned.

Heil Hitler !
[Signed] DR. C. KRAUCH

PARTIAL TRANSLATION OF DOCUMENT NI-8791
PROSECUTION EXHIBIT 452

TWO REPORTS OF THE DEFENDANT KRAUCH ENTITLED "STATE SECRETARY REPORTS"[1] FOR TWO DIFFERENT PERIODS IN THE FALL OF 1938

1. Report, dated 19 August 1938, for the period 1–15 August 1938

[Stamp] SECRET!

[Handwritten] 1–15 August, 1938

Berlin, 19 August 1938

Dr. C. Krauch

Report on the measures initiated for the execution of the new military economic production plan, for the period 1 August–15 August 1938

General

A draft of an order for the execution of the Rapid Plan [Schnellplan] and for the cooperation of the offices concerned, that is, the High Command of the Army (Army Ordnance Office) and the High Command of the Wehrmacht (Military Economics Staff), was jointly agreed upon with General Becker and General Thomas.[2]

The Rapid Plan for gunpowder, explosives, chemical warfare agents, and preliminary products was coordinated among the offices concerned and full agreement was reached through the complete acceptance of my proposals. It will be handed over by us jointly to the Field Marshal on 22 August.

The construction staff [Baustab] has started its work. It consists up to now of Dipl. Ing. [Diplomingenieur—certified civil engineer] Schoen (previously chief engineer of the Sholven hydrogenation works) and Dr. Ahl (previously director of the

[1] As the distribution list to the second report indicates, the first copy of these reports went to State Secretary (Staatssekretaer) Koerner and the second copy went to State Secretary Neumann. The outside of the folder in which these reports were found was entitled "State Secretary Reports—Reports concerning the progress of work in the field listed in the New Military Economic Production Plan covering the period from 15 August 1938 to 15 August 1939". This folder was found in the files of the Military Economics Staff (WStb) of the High Command of the Wehrmacht.

[2] General Becker was Chief of the Army Ordnance Office (HWA), and General Thomas was Chief of the Military Economics Staff (WStb) of the High Command of the Wehrmacht.

Bayerische Stickstoffwerke in Piesteritz) and also Mr. F. Baasch for questions concerning the allocation of labor.

A new, simplified *system of allocating iron quotas* was worked out with the Raw Materials Department of the Reich Office for Economic Development. This system is founded on mutual confidence between the builders and ourselves. An individual stamp for each order is not required, but only brief lists of the requirements, grouped according to type.

Collaboration with President Syrup for the release and procuring of workers is already working satisfactorily. All the works listed in the new plan are exempt from having their workers taken for work in the West. In addition to this, the Reich Institute gave orders to the subordinate departments, according to which workers could be demanded for these constructional projects. Unfortunately, owing to the somewhat dilatory methods of the Reich Institute, the orders do not yet seem to have penetrated to the lowest level departments, so that in dozens of individual cases direct instructions from here will be necessary.

Questions regarding rates of pay, accommodation, and settlement, were dealt with in a discussion with Ministerialdirektor Dr. Mansfeld of the Administrative Group Labor Allocation [Geschaeftsgruppe Arbeitseinzatz]. It was agreed that all these questions should be dealt with jointly by the Mansfeld Administrative Group and ourselves. A fundamental agreement on the problems of working conditions was reached.

On the subject of collaboration with the German Labor Front, a discussion lasting several hours took place with Dr. Ley. The latter declared that he, as well as the German Labor Front, were ready to assist in the carrying out of the New Plan. Dr. Ley commissioned State Councillor Schmeer, or his deputy, Mr. Klapper, as liaison man between the German Labor Front and myself. An agreement of opinions on the nature of the collaboration was likewise reached. At our suggestion, certain changes which may prove restrictive were made in the German Labor Front.

After a number of consultations with the head office of the Reich Motor Vehicle Association, the difficulties were removed which arise because motor trucks are taken away from individual building sites on orders from the higher offices of the Wehrmacht and the Party. For the time being, all trucks needed on the building sites for the building projects of the "Immediate Program" are at the disposal of the building firms.

The accelerated execution of the orders received from the contractors [Bauherren] will be achieved through *State Secretary Koerner's letter* of 4 August, which in part constituted a blank form sent direct to the contractors for their use, or redirected by

us to the suppliers, if this is desired by the contractors in urgent cases. This method has previously proved very satisfactory.

According to the latest information received from the contractors, the difficulties in the supply of *cement* have been almost entirely eliminated, after a discussion had taken place between the Reich Ministry of Economics, the cement sales associations, and the Reich Office for Economic Development on 11 August in the Reich Ministry of Economics, in accordance with which the sales associations will be given precise information as to the cement requirements, and so will be better able to make arrangements and apportion the requirements.

In the discussions and negotiations with the contractors and the suppliers, the mutual *confidence,* the *responsibility,* and hence greater independence of the industry will continue to be stressed as much as possible.

The overburdening of the employees of the firms, due to the lists, tables, and other data of the most varied nature required by us, will shortly be reduced to an absolutely essential minimum. The firms till now have been far too much occupied with submitting documents, et cetera, which simply remain in the files.

Special reports on the various categories

Mineral oil

1. *German mineral oil.* In accordance with the changed circumstances, as already mentioned in the report covering the period from 15 July to 1 August, a normal output of 835,000 tons of German mineral oil per year has now been included in the planning. When asked, Professor Bentz gave the information that the investigations of the Subgroup Mineral Oil Industry [Fachgruppe Erdoelindustrie] have not yet been concluded. The question of the supply of lubricating oil on the basis of the new plan, and the cooperation of the Economic Group in the expansion of mineral oil processing, was discussed with the Economic Group Liquid Fuels [Wirtschaftsgruppe Kraftstoffindustrie].

2. *Refinement of foreign mineral oil.* The Shell Co. has demanded a full utilization of their capacity before giving permission for new refinement plants (Ebano project). The DAPG [Deutsch-Amerikanische Petroleum Gesellschaft] has promised to express an opinion as soon as possible on the Ebano expansion project, combined with the hydrogenation plant. Dr. Fischer, chief of the Economic Group Liquid Fuels, has been commissioned to lead the way to an understanding between DAPG and Shell on this matter.

3. *Fischer-Synthesis plants.* The upshot of a discussion on 17 August with a representative of Hoesch-Benzin was that the

Fischer plants in the Ruhr have so far failed to express an opinion in answer to our inquiry concerning the possibility of further expansion, as in their view the memorandum of the Ruhr mines on the coal problems covered everything. The firms were urgently reminded to answer the questions set to them on 20 July.

Wintershall A.G. have stated that they do *not* intend to base the expansion of 75,000 tons per year *on the Fischer process,* but on the hydrogenation process. They demand assistance for the procurement of 85,000 tons of tar per year. As this quantity is not available, Wintershall A.G. were requested to test again the possibilities of a direct coal hydrogenation.

Concerning the Hamburg Gasworks, the Hamburg Senate has given information concerning the company envisaged for the financing. The answers to various questions, such as securing the land and the agreement of the air raid protection authorities, are still outstanding.

4. *High pressure hydrogenation plants. Gelsenberg* has declared an expansion to about 80,000 tons per year as feasible.

Scholven declares an expansion to 50,000 tons per year technically feasible and would be prepared to set up a further plant producing 200,000 tons per year.

ASW-Espenhain [ASW-Aktiengesellschaft Saechsische Werke] states that investigations into technical and industrial questions have still to be carried out in conjunction with IG.

Rheinbenzin considers the expansion doubtful on the grounds of conserving their coal stocks, but will investigate the project thoroughly.

Lausitz Combine. The conditions with regard to the Lausitz [Lusatia] region will be investigated. Contact will be made immediately with Bubiag [Braunkohle und Brikett Industrie A.G.]

5. *Silesian coal region.* On 15 August the Subgroup Gleiwitz Soft Coal Mining stated their attitude, expressing themselves opposed in every respect to the further overburdening of Silesian soft coal mining. An answer will be prepared and the matter investigated.

6. *Low-temperature carbonization of coal* in the Ruhr. An answer was received on 13 August from the Ruhr district group, which, however, contained only a counter-proposal for the mineral oil plan. An opinion on the problem of grades has still to be given. The comparisons made between the Fischer and hydrogenation processes will be examined, and misunderstandings cleared up. A memorandum on the low-temperature carbonization of coal was received from Dr. Mueller-Krupp on 17 August.

7. The *high-pressure cylinder plan* was further tested as to its practicability. The number of parts to be produced by forging

and by the alternating method [Ausweichverfahren] (winding) was determined. The following steps arising from this were taken: extension of the DHH * plant, determining the supplier firms for forged and "wound" apparatus, for covers and flanges, etc.

8. The hydrogenation works Gelsenberg and Scholven, recognized by the Wehrmacht as essential, were supported by State Secretary Koerner's special certificates of urgency, because the support promised by the Wehrmacht could not be put into effect owing to contrary regulations. The certificates of urgency were also used for other important building projects, e. g., lignite coking plants.

9. The erection of a workshop to meet the high armature requirements for the execution of the new plan was further promoted.

10. The working out of a *schedule* for the erection of the works and the inquiry into the quotas of materials previously envisaged for the execution of the new plan is in progress. This includes all low-temperature carbonization plants and power stations dependent on outside current supply [Fremdstromkraftwerke].

Buna

Production. Difficulties encountered in the delivery of materials and the employment of workers were removed. Suitable full powers were given to the industry carrying out production, to enable it to obtain punctual delivery of the equipment ordered.

A uniform price for buna was fixed for the future to facilitate the introduction of buna for civilian requirements, and its processing.

Processing. The production program for buna and the possibility of using it (according to the present stage of practical experience) for all other rubber articles apart from tires was discussed with the chairmen of the branch groups incorporated in the Subgroup Rubber Industry. A program for buna processing will be presented by the Subgroup by 15 September 1938. It was possible to remove difficulties concerning materials (cement) encountered in the erection of the processing plants, but the question of labor allocation still presents difficulties. The motor vehicle tire factories' capacity to use buna was tested by inspection, and the firms also were issued such authorizations which would enable them to obtain punctual delivery of production installations from suppliers and subsidiary suppliers.

The conversion from natural rubber production to buna production was decided on in conjunction with the administrative offices concerned and the tire industry, and it was generally agreed that

* DHH—Dortmund-Hoerde Huettenverein (Foundry Association of Dortmund-Hoerde).

the first two sizes for motor vehicle tires should be 4.00–19 and 4.50–16, as of 1 September 1938.

The buna-processing industry (motor vehicle tire manufacturers) was ordered to submit immediately a program of adaptation for the processing industry in line with the new production plan for buna.

Light metals

The following difficulties have cropped up in connection with the expansion, which is otherwise running according to schedule: The Luenen power station has lost personnel through the call-up, and at the Luenen power station of the Steinkohlen-Elektro-AG too, difficulties have arisen in the iron supply which will probably delay completion. A drop in production will not, however, result from this, as an attempt will be made to obtain power from other sources during the tiding-over period.

Lists of substitutes were discussed with the Wehrmacht. The experiments on the substitution of aluminum by magnesium were accelerated. Experiments on fuses have been initiated by the Wehrmacht.

Gunpowder, explosives, chemical warfare agents, and preliminary products

From now on a discussion will be held *weekly* with the contractors [Bauherrn] in which all undecided problems and difficulties will be discussed. (Time: Tuesday at 9 o'clock at my place, later at the various building sites each in turn.)

The following points have been clearly laid down in various discussions with the contractors DAG, DSC, Wasag,* and I.G., as a basis for the Rapid Plan to be submitted to Field Marshal Goering on Monday, 22 August 1938.

a. Site, capacity, and completion date for the most urgent building project and extensions.

b. Iron requirements for all the building projects. The contractors are already provided with check numbers and supply allocations up to 31 December 1938, and are in consequence beginning with their orders immediately.

c. In the case of large orders with longer delivery periods, the completion dates were pushed forward either by changes in the production schedule of the supplier firms, or the cancellation of the orders and their reallocation to firms not so fully booked.

Status of the individual building projects

DAG reports

* DAG—Dynamit Aktiengesellschaft; DSC—Deutsche. Sprengchemie G.m.b.H., Berlin, a Reich owned company, operated by the Westfaelisch-Anhaltische Sprengstoff-A.G., Berlin (Wasag), a subsidiary firm of the DAG concern.

Kruemmel extension. Planning work completed. The trees have been cut down, work on the foundations is in progress, roadways have, for the most part, been completed. Water, steam, and power supply systems have, for the most part, been completed. All apparatus has been ordered.

Clausthal extension. Situation the same as at Kruemmel, except that work on the supply systems is not yet so far advanced.

Hessisch-Lichtenau extension. The situation is the same as at Clausthal. The buildings for the presses are ready and the setting up of the presses has begun. The workshops are under construction.

Dueneberg extension. Planning work completed. Sinking of foundations is in progress. Connections for steam, water, and current are, for the most part, laid. Apparatus has been ordered.

Wolfratshausen, new project. Surveying work is almost concluded. The laying of tracks has begun and equipment for the most part ordered. All tenders for the part to be built for the Deutsche Sprengchemie G.m.b.H. [DSC] have been dealt with. Machines and apparatus have been ordered.

Allendorf, new project. Terrain surveying is in progress, also planning work. Apparatus has been ordered.

Hohensaaten building project. A large part of the building work has been done. Part of the machinery has been assembled. The rail siding is ready, as well as the mains for steam and power.

Malchow building project. Some construction is in progress, as well as work on the roads. Fences are completed. A start has been made on the rail siding. The equipment is all ordered and partly ready.

Ebenhausen, new project. Although the order for the building work (Rapid Plan) has not yet been given, the preparation of the rail siding, the building of the surrounding fence and roadways has already taken place, as well as thinning and afforestation for camouflage purposes. About 80 percent of the buildings for the nitrocellulose section were built at an earlier date.

DAG and DSC state

Muehldorf building project. This is still in the first stages. Planning work is complete. Orders have been given for the construction of the rail connections and the pipe lines. About 90 percent of the equipment has been ordered. The negotiations with the building contractors have already resulted for the most part in the allocation of the orders.

Wasag states

Elsnig extension. The apparatus has been ordered. A start

has been made on the foundations for the rail connections. The clearing of trees and sinking of foundations for the dinitrotoluene, trinitrotoluene, and washing plants are finished. The laying of concrete will be started. The surrounding fence is completely finished, and 80 percent of the roads are also finished.

I.G. states

The *Ludwigshafen, Wolfen,* and *Ammendorf* extensions for diglycol and oxol are proceeding according to plan and it can already be seen that the completion dates can be adhered to.

Huels, Schkopau, and *Trostberg,* new plants (ordered by the Army Ordnance Office) proceeding according to plan at the moment. The certificates of urgency issued by State Secretary Koerner have been used for this plant and have proved satisfactory.

2. Report, dated 5 October 1938, for the period 15 September to 1 October 1938

6 copies, 4th copy Berlin, 5 October 1938

[Stamp] Top Secret

[Handwritten] (4)

Progress report for the period from 15 September to 1 October 1938 on the work done in fields listed in the new military economic production plan

The following special reports on the various fields give a general impression of the situation. In those cases where particularly characteristic processes are of interest, details have been given, as these are really noteworthy for an assessment of the situation as a whole.

For subsequent reports a new method of presentation is being worked out, by which the building schedules can be more clearly judged in relation to the expansion demanded and the operations actually achieved.

In those fields with a particularly high demand for special machinery (mineral oil and power), extensive inquiries into the production capacity of the supplying factories, and in some cases into their completion and expansion, are in progress. In many cases bottlenecks could be overcome by the introduction of multiple shift methods, and here the main problem is that of obtaining skilled workers.

Enclosures:

A. Category Mineral oil
B. Category Rubber
C. Category Light metal

D. Category Gunpowder and Explosives, Chemical Warfare Agents, Preliminary Products
E. Category Power Supply
F. Category Questions of Allocation of Labor

Distribution:
1st copy: State Secretary Koerner
2d copy: State Secretary Neumann
3d copy: Dr. Krauch
4th copy: Dr. Ritter
5th copy: P
6th copy: to department

[Stamp] Top Secret Berlin, 5 October 1938

A. Category Mineral Oil

Status of the work as of 1 October 1938

a. General considerations and questions of method

In order to be able to begin the steel distribution to the plants in accordance with the new military economic plan, distribution taking effect on 1 April 1939, it was intended to put into effect by about 1 October 1938 the plan for the construction of plants capable of producing a total of 2 million tons of steel.

We have succeeded in clarifying the technical methods for some of the building projects which are to be based on the *high-pressure hydrogenation process,* as from the technical point of view no obscurities exist with regard to this process. The Hydrierwerk [hydrogenation plant] Oesterreich project is an exception to this. In this case it had not previously been possible to estimate to what degree the Linz foundry of the Hermann Goering Works will be ready to provide the Hydriewerk Oesterreich with coal gas at a fixed date for the purposes of hydrogen production.

The expansion of the Welheim plant for the Pott-I.G. *pressure extraction process* will also probably remain in the "Immediate Program," as according to data furnished by the factory, all technical methods should be clarified, at the latest by 1 April 1939, by reason of the major experiments now in progress.

The discussions on the building projects in which the *Fischer-Synthesis method* is used were for several reasons not concluded by 1 October. Of the four plants envisaged for the first stage of the expansions, the Hoesch-Benzin G.m.b.H. and the Braunkohle-Benzin A.G. have announced that they cannot undertake the expansion before sufficient technical experience has been gained in the existent plants. As the Schaffgotsch-Benzin G.m.b.H. and Wintershall A.G. (Luetzkendorf) have refused the immediate

expansion of their Fischer plants for the same reasons, neither of these projects could be included in the "Immediate Program." Only the Ruhrbenzin A.G. and the Chemische Werke Essener Steinkohle A.G. have declared themselves willing to expand, but this could not yet be put into effect, since certain questions above all that of the definite procurement of coal supplies have not yet been satisfactorily cleared up.

The production of German mineral oil can still be included in the first stage of expansion. This is based on the assumption that the current discussions in the Economic Group Liquid Fuels on the proportionate participation of the German mineral oil-processing industry in the processing of mineral oil will be concluded. The start of construction on 1 April 1939 will not be endangered by a slight delay in these discussions, particularly as the relatively low expenditure of technical apparatus makes it possible to produce the necessary output of 100,000 tons while still in the first stage of expansion.

b. Financing arrangements

It can be said in principle that all the building projects for the first stage of expansion were delayed by the obscurities existing in financing, thus preventing the preparatory work for the carrying out of the building. The firms have frequently informed the authorities concerned that no delay in this respect can be tolerated and the orders for the projects must be given immediately. As no final decision could up to now be reached, however, delays of about 8 weeks have already occurred in single instances, e. g., Hydrierwerk Poelitz. The question of financing the Wesseling and Nordstern projects was of similar urgency; there it is a question of adapting the buildings at present under construction for expansion and of undertaking immediately, during building, alterations in the arrangements previously envisaged.

The total requirements of the "Immediate Program" should be finally settled in a basic discussion between the Reich Ministry of Economics and the Reich Ministry of Finance, so that, on the basis of information on the total requirements of the individual firms, a guarantee can be given of the willingness of the Reich Ministry of Finance to finance their projects. Apart from this, the firms should obtain a definite assurance of economic guarantees from the Reich Ministry of Economics.

c. Technical practicability

The investigation into the practicability of the plan in technical respects has revealed that by the time the plants named are completed, which, according to schedule, will be about the middle of 1941, high-pressure apparatus, hydrogen compressors, and all

other technical installations can be put in readiness by the industry, with the exception of the major driving motors for the hydrogen compressors and the high-pressure armatures. In both these departments the necessary release of workshop equipment in the major electrical firms, or the supply in good time of machine tools, must be effected with the help of special measures. In general, it is essential that the orders for single hydrogenation works be put in a special priority class, thus preventing their being snatched by other firms with quotas.

* * * * * * *

Berlin, 5 October 1938

[Stamp] Top Secret

C. Category Light Metals

Status of the work as of 1 October 1938

a. Building projects

Seen as a whole, the new constructions and expansions of the production capacity are progressing satisfactorily.

* * * * * * *

b. Methods for the replacement of aluminum by magnesium

After the favorable outcome of the malleability and processing experiments with the new magnesium alloy for fuses, the task of testing is now in progress. With reference to the employment of magnesium in industry, the vehicle industry has been advised to erect foundries at their factories. It is thought that it might be possible to accelerate the introduction of magnesium by regulating and prohibiting its use.

c. So far as can be judged from the present situation, the dates laid down by the new military economic production plan concerning light metals will be adhered to with a fair degree of certainty, so that the production plan will be fulfilled according to priority. The basic condition is a constant control of the schedule and immediate intervention in every case of delay. This involves an enormous amount of work and many difficulties. The availability of power for the aluminum works at the proper time is a basic condition (cf., Category Power).

Berlin, 5 October 1938

[Stamp] Top Secret

D. Category Gunpowder, Explosives, and Chemical Warfare Agents, and Preliminary Products

a. General

Today's discussion with all the contractors has revealed that the work for all the planned building projects *has started according to plan.*

The measures taken for the furtherance of the building project and for the elimination of difficulties have begun to produce results. It is to be hoped that the difficulties still in existence at the moment will be removed before long.

In order that the individual local building foremen may set to work immediately, I have supplied them with passes.

After the recent strain in the sphere of transportation, a noticeable relief has become apparent.

At the moment difficulties are being encountered in the supply of cement for the period 11–20 October. These, however, must be eliminated, whatever happens, for as much as possible of the construction work must be finished before the onset of the frost season. To ensure the supply, a special letter is being sent to Inspector General Dr. Todt with a request to make some increase in the cement quota for the Wehrmacht in favor of the Rapid Plan.

b. Gunpowder

The preliminary decisions for construction have been made. The Army Ordnance Office is looking for a site for the remaining two projects.

c. Explosives

Discussions were held with the High Command of the Navy on the construction of—

1. A plant capable of producing 200 tons per month of hexanitrodiphenylamine.

2. A filling station for 1,000 tons per month of underwater explosives, consisting of tri and hexanitrodyphenylamine, with an addition of aluminum. A wooded tract at Allendorf (Project Barbara) was selected as a site. Negotiations are in progress; steam, power, and water supplies are to be arranged in conjunction with the trinitrotoluene plant.

The question of obtaining toluene was thoroughly investigated in conjunction with the WStb [Military Economics Staff] and WIFO [Economic Research Corporation], so that the actual plan-

ning is complete in this case also. It will be submitted in the next few days.

With regard to the storage of large quantities of toluene (envisaged requirements for the year), the discussions with the parties interested will be continued.

d. Chemical warfare agents and preliminary products

The two projects for diglycol expansion at Wolfen and Ludwigshafen have been completed according to schedule. The direct-process mustard gas experiments have been initiated. The ethylene plant at Sodingen is under construction. Work on the other plants is proceeding according to schedule.

The Aluminum-Chloride und Losantin-Anlage Wundsdorf will be run by the IG in conjunction with the Army Ordnance Office. Construction should be undertaken as quickly as possible.

e. Nitrogen

In a discussion with the WStb, it was decided that the additional nitric acid (highly concentrated) reserve plant envisaged in the Rapid Plan was to be located in Bavaria. In connection with this plant the project for a primary nitrogen plant for Bavaria was once more discussed.

A plan is in preparation by which methanol, formaldehyde, and hexamine, and under certain conditions, ammonium nitrate too, are to be produced in connection with the primary nitrogen plant.

f. Smoke-producing acid [*Nebelsaeure*] *and smoke-screening agents* [*Nebelstoffe*], *decontaminating agents*

An elucidation of the requirements question has been initiated. Preliminary instructions were issued by the Army Ordnance Office for two smoke-producing acid plants.

g. Tracer and signal ammunition

In collaboration with the WStb the status of the production potential was ascertained, whereby it was revealed that in the case of the most important equipment, namely flare cartridges, signal cartridges, and whistling cartridges, the requirements are covered to the extent of only about 50 or 60 percent.

As yet, no conclusion with regard to naval and air force requirements has been arrived at.

TRANSLATION OF DOCUMENT NI-7431
PROSECUTION EXHIBIT 634

LETTER FROM DEFENDANT KRAUCH TO DEFENDANT AMBROS, 10 FEBRUARY 1939, CONCERNING WORK IN THE FIELD OF ETHYLENE CHEMISTRY IN RELATION TO THE DEVELOPMENT AND PRODUCTION OF POISON GAS

Dr. C. Krauch
Plenipotentiary General of Minister President Field Marshal Goering for Special Problems of Chemical Production

[Stamp] A

Berlin W 9, 10 February 1939
Saarlandstrasse 128
Telephone: 12 00 48

Reference No. 720/39 g — Dr. R./Sr.

[Stamp] Secret!

To the I.G. Farbenindustrie A.G. for the attention of
Director Dr. Ambros and Director Dr. Mehner
Ludwigshafen/Rhine

[Handwritten]
Dr. Ambros
Dr. Wittwer
Dr. Steimig
Dr. Christ

[Handwritten] 51

Subject: Work within the field of ethylene chemistry

The status of experimental work initiated by you in the field of ethylene chemistry was discussed during a conference held on 1 February 1939 in conjunction with representatives of the Army Ordnance Office and my coworkers.

First of all, may I express my particular gratitude to you for having put Dr. Wittwer at the disposal of my construction staff in such an obliging way, for the coordination and direction of the experimental work and for the construction of the new plant. May I call special attention to the fact that the work initiated by Dr. Wittwer in such a methodical and far-sighted manner has also won the full recognition of the representatives of the Army Ordnance Office. Furthermore, may I thank you especially for the great trouble which you have taken and for the use of your resources for the work in hand.

In view of the extraordinarily important goals set for this work as regards politics, however, I must not omit to ask you expressly

to increase your contribution to these efforts still more, and to promote the work with the greatest possible energy.

In this connection, the work on the oxidation of ethylene with air appears to me to be of special significance.

The experiments on ethylene production by means of hydrogenation of *acetylene* will be dealt with on the occasion of a visit to *Schkopau* in the near future.

Following the inspection of the testing plant which is in the process of being built at Sodingen for the production of ethylene from gas [Ferngas] I should like to ask you to examine as soon as possible the possibility of setting up in the buildings of the Mont Cenis plant in Herne-Sodingen, which is out of operation, a plant for the production of direct-process mustard gas, in size equivalent to that of a plant producing 15,000 tons of ethylene per year.

Since plants are being planned at the moment, in conjunction with the Reich Air Ministry, for the production of special fuel for the Luftwaffe on a gas [Ferngas] base, I should like to ask you in this connection, to check, together with Dr. Mueller-Cunradi, Oppau, the appropriate I.G. specialist, the possibilities of considering a combination of direct-process mustard gas production with a corresponding capacity for special fuel. It is of special importance that the question of the gas supply [Ferngas] for Sodingen be dealt with, as, when the two processes are combined, the gas [Ferngas] which serves for the production of ethylene is not returned into the network, but would be completely used up for the fuel synthesis.

I therefore request you to hold preliminary discussions with *Dr. Feller* of the Chemische Werke Holten and, in conjunction with the authorities of the Ruhr-Gas A.G., to arrange a conference at my office in Berlin in agreement with my specialists, so that, should the need arise, we may be able to declare the Sodingen project ready for construction at the earliest possible moment.

Heil Hitler!

[Signed] DR. C. KRAUCH

PARTIAL TRANSLATION OF DOCUMENT NI-13533[1]
PROSECUTION EXHIBIT 1937

EXTRACTS FROM A LETTER OF DEFENDANT AMBROS TO DEFENDANT KRAUCH, 21 FEBRUARY 1939, REPLYING TO KRAUCH'S LETTER OF 10 FEBRUARY 1939

Dr. Otto Ambros

[Handwritten] to Dr. Gajewski
21 February 1939
[Initial] G [—Gajewski]

[Stamp] SECRET !

To Director Dr. C. Krauch
Berlin W 9, Saarlandstrasse 128
Subject: Your letters of 10 February 1939,
Ref. No. 705/39g, hexogen (K);
Ref. No. 717/39g, hexamethylene-tetramine;
Ref. No. 710/39g, synthetic production of toluene.

[Stamp] 60958
[Stamp] Secretariat Dr. Gajewski
In: 23 Feb. 1939

Dear Dr. Krauch,

I have received your letter of 10 February concerning the hexogen technique, the procurement of hexamethylenetetramine, and toluene synthesis.

I agree with you that the state of the hexogen process is very satisfactory.

* * * * * * *

Impressed by this favorable technical situation, I brought up the question at the Army Ordnance Office a few days ago, whether the present plan of constructing a plant in Bobingen for 400 tons E-hexogen [2] per month before the results of the 100 tons per month E-plant are available is still commendable, and whether the Army Ordnance Office's aim of realizing a certain minimum production as quickly as possible could not be achieved just as well by the SH-process.[3] According to the opinion of the DAG, which is shared by those of our members who saw the plant the other day, the latter could be built right away for a production of 250 tons per month, if experience proves favorable (with facilities for expansion up to 500 tons per month). The conversion of the

[1] A number of other letters and memoranda which were included in this exhibit are reproduced below in subsection M 4.

[2] "E" refers to the hexogen process developed by Dr. Ehle.

[3] "SH process" refers to a process developed by Schnurr-Henning.

Bobingen development to the SH-process would enable us to avoid all the difficulties connected with the procurement of acetaldehyde for acetic acid, for there will be a shortage of the former for many years to come. At the same time, this would have the added advantage that all the processes being considered could be tested together quickly and directly in technical installations before the large-scale plans with their many developments are started.

This brings me to your question as to how the hexamethylene-tetramine is to be manufactured.

* * * * * * *

Heil Hitler !
Signed: Dr. Otto Ambros

TRANSLATION OF DOCUMENT NI-14014
PROSECUTION EXHIBIT 2318

MEMORANDUM OF FARBEN'S DR. WITTWER TO DEFENDANTS TER MEER, KUEHNE, WURSTER AND AMBROS AND OTHERS, 23 FEBRUARY 1939, CONCERNING A CONFERENCE WITH ARMY ORDNANCE OFFICERS ABOUT COOPERATION BETWEEN FARBEN AND DR. ENGELHARD IN THE FIELD OF POISON GAS

I.G. Farbenindustrie Aktiengesellschaft, Ludwigshafen/Rhine
Intermediate Products Group

L.K. Dept, Dr. Wi/Ir.
Copy No. 2

[Handwritten]
We II (10)
23 Feb 1939

[Stamp] Confidential
[Stamp]
Secretarial Ministerialrat (retired) Dr. Buhl
[Stamp] Received: 23 Feb 1939

TOP SECRET!

*Conference about cooperation between IG and Dr. Engelhard, held on 17 February 1939, in Berlin, Schadowstrasse 4, Wa Pruef 9**

Present:

Lieutenant Colonel Schmidt Major Dr. von Sicherer Regierungsrat Dr. v.d. Linde Lieutenant Dr. Rittler	Wa Pruef 9
Ministerialrat Dr. Zahn	Wa [ordnance] I Rue [armament] 9
Dir. Dr. Ambros Dr. Wittwer	IG Ludwigshafen

At the request of the Army Ordnance Office, the conference between the IG and the Army Ordnance Office was called for discussion of the future collaboration between IG and Dr. Engelhard with regard to chemical warfare agents. Right from the start, Dr. Ambros pointed out that it would not be possible to collaborate on all these matters without some limitations, as, after all, they also concerned some materials which were important in private enterprise, but that the method of collaboration would have to be settled in each individual case.

Then the matters which were of particular interest at this time were discussed:

* Chemical Warfare Section of Army Ordnance Office.

1. *Oxol-Lost [Mustard gas]*

IG stated that on principle it was willing to make the new Leverkusen process available for the plants in Ammendorf and V.T.* after tests on a technical scale which are to start in March.

It was arranged that after the Leverkusen experiments have been carried out there should be a discussion with Dr. Engelhard as to how far this process can still be used in the development of the esterification process of the V.T.-plant and to what extent it will be possible to install the continuous quartz towers in Ammendorf. On the other hand, Dr. Engelhard is to put all his experience with regard to mustard gas at IG's disposal, for example, questions of materials, storage, decontamination, etc.

2. *Direct-Process Mustard Gas*

First, Major Dr. von Sicherer, obviously at Dr. Engelhard's suggestion, proposed that the IG should work on direct-process mustard gas synthesis on the basis of SCl_2, and Orgacid on the basis of S_2Cl_2. We immediately pointed out that we did not consider that this was the difficulty in this process, but that it was the development of a continuous process, since this is of the greatest importance for large-scale production. It was agreed that Leverkusen is to carry out these continuous experiments and will report on the results as soon as possible. Should the continuous process prove to be impracticable the plant will be built according to the Auer process.

Ministerialrat Dr. Zahn then asked whether IG would be willing to found a new company together with Dr. Engelhard for future projects in this field, without Auer and Goldschmidt. Dr. Ambros pointed out that Dr. Engelhard would be of very little use to IG as a partner in such a company, since IG would in the end have to do all the work, but that there was already such a company, the Orgacid G.m.b.H., which had proved its worth in establishing the Wehrmacht plants. Then Zahn suggested that IG should join the Orgacid. He was to discuss this question with Ministerialrat Dr. Zeidelhack.

Discussion with Dr. Engelhard

Following this, a discussion took place with Dr. Engelhard in the Laenderbank, during which he again described his ideas with which we are familiar. Engelhard intends to leave the Auer Company and to work independently on all the questions regarding chemical warfare agents. He fears however that—as has already happened in the case of Huels—he would be gradually displaced by IG and in the long run would be completely pushed

* V.T.-plant, producing mustard gas.

aside in this field. He therefore visualized that the IG would form a new mining company with him, that is without Auer and Goldschmidt, which should be activated for the VT-plant and the future direct-process mustard gas plants.

Dr. Engelhard further explained that he intended to take the so-called organic laboratory of the Auer Company, which deals only with chemical warfare agents, and of which he had been in charge until now, out of the Auer Company. He was thinking of establishing a research institute for chemical warfare agents in connection with the Ordnance Office. He would put the results of the research at the disposal of Orgacid, which would then undertake to run the technical side of the plant. He requested the support of IG for this research institute.

Dr. Engelhard made the following statements about the organization of Orgacid:

The Ordnance Office, Goldschmidt and Auer participate in Orgacid, the latter two with a capital investment of RM 60,000 each. The oxol produced in Ammendorf costs approximately RM 1.70 and is sold to the mining industry with a profit of 6 percent. The profits are divided equally between the three partners.

On the basis of the discussion, the following ideas were then submitted for study by IG and Engelhard and for later discussion with the Ordnance Office:

1. The IG to join the Orgacid and through this company to take part in the construction of the new plants which have been planned.

Huels to be taken out of Orgacid completely, as well as all plants being built in other IG works for the Army Ordnance Office. According to the present situation, the expanded Orgacid would at the moment therefore include the plants in Ammendorf, the VT-plant, as well as the direct-process mustard gas plants which have been planned, and possibly also Hahnenberg.

2. Dr. Engelhard to found a research institute for chemical warfare agents which is to be assisted extensively by being informed of problems in these fields by the scientific laboratories of colleges and of industry.

Dr. Engelhard is to get in touch with Dr. Zahn about these two fundamental points.

The following must be said on this subject:

1. In the interests of *Germany's military chemistry* in this great field it seems absolutely essential that a central research institute should be founded, the organization of which corresponds to the Kaiser Wilhelm-Institut which was set up during the First World War. In this connection, question whether Dr. Engelhard is a suitable person to direct this institute seems to

be of minor importance for the time being. If suitable collaborators from German chemistry are called in, there is no doubt that it would gradually be possible to develop this institute to a high degree of usefulness. The laboratory of the Wehrmacht in Spandau is more concerned with questions of technical application than with development work.

2. It is of the greatest importance for Germany to have one single chemical organization with a very high technical standard for *carrying out the large-scale planning* with regard to chemical warfare agents—in this case that is the Orgacid, which is enlarged by IG's part in it. In this way we can be sure of avoiding the use of technically outdated processes (such as in the VT-plant or in Seelze for instance) and the building of parts of plants which cannot be operated (such as Hahnenberg for instance). The superior experience and feeling of responsibility of IG will ensure that it will not again happen that this type of installation is built just because there was an order to that effect from the Wehrmacht, as this has hitherto been the case with Orgacid.

The Orgacid, which, until now, had received its orders only from the Wehrmacht without having any connections with any other agency, can be put under the closer supervision of the Krauch organization, when it is reorganized, so that in the future there will be no more mistakes in investments for raw materials.

However, it also seems expedient *from the point of view of the IG* that we should in this way take a part in the sphere of chemical warfare agents:

(1) On joining Orgacid, IG would get an insight into and be able to influence these plants which, for instance, is true in Ammendorf again. It will not be possible for anything to be built or operated without IG's knowledge.

(2) By giving the order for construction of the new plants to Orgacid, IG is able to make its know-how available in the interests of the Reich and yet will not be given the orders to carry out the construction as a whole.

The Orgacid will deal with all the official, technical, constructional, and so forth, questions, while IG will only undertake the design and possibly the assembly of certain installations in which it is interested. For instance, it is possible that, in the first large direct-process mustard gas plant, IG might undertake to provide the ethylene (Linde plant) and if the Leverkusen experiments fail, Auer would take charge of the direct-process machinery and Goldschmidt, for instance, would undertake the chlorine electrolysis. The entire planning of the factory, the power supply, the buildings, communications which the authorities, the procurement of labor, etc., would be handled by Orgacid.

3. The danger that IG's know-how might leak out through participation in Orgacid is no greater than it has been hitherto, where for instance IG had to build the entire plant in Ammendorf and then had to hand it over to Orgacid. There is also every possibility of safeguarding it by legal means and of supervising it if IG is a stockholder of Orgacid.

4. It should be checked whether it would not be possible for IG to demand, when joining Orgacid, that all the plants which are based entirely on its processes, such as oxide, ethylene, and thionylchloride plants, etc., should be leased to IG *exclusively* if necessary and operated by it, when working under peacetime conditions. Orgacid should only lease and operate the entire plant when it serves its actual purpose, that is, the production of a chemical warfare agent.

5. IG could demand to operate the plants built by it, in the same way as has been done with regard to the VT-plant, so that by this means it would also avoid revealing its processes.

Signed: WITTWER

Copies to:

Ministerialrat Dr. Buhl, Frankfurt
Director Dr. ter Meer, Frankfurt
Director Dr. Kuehne, Leverkusen
Director Dr. Wurster, Ludwigshafen
Director Dr. Ambros, Ludwigshafen
Director Dr. Steimmig, Ludwigshafen
Director Dr. Boeckler, Ludwigshafen
Director Dr. Wittwer, Ludwigshafen

PARTIAL TRANSLATION OF DOCUMENT EC–282
PROSECUTION EXHIBIT 455

EXTRACTS FROM WORK REPORT OF DR. C. KRAUCH, PLENIPOTENTIARY GENERAL FOR SPECIAL QUESTIONS OF CHEMICAL PRODUCTION OF MINISTER PRESIDENT, FIELD MARSHAL GOERING, SUBMITTED TO THE GENERAL COUNCIL OF THE FOUR YEAR PLAN, 28 APRIL 1939*

Berlin, 20/21 April 1939

8 copies, 2d copy [Handwritten] Draft

[Stamp] Top Secret

WORK REPORT OF DR. C. KRAUCH, PLENIPOTENTIARY GENERAL FOR SPECIAL QUESTIONS OF CHEMICAL PRODUCTION OF MINISTER PRESIDENT, FIELD MARSHAL GOERING, SUBMITTED TO THE GENERAL COUNCIL OF THE FOUR YEAR PLAN

General Definition of Aims

On 30 June 1938 the Field Marshal, at a meeting in Karinhall, explained the outlines and targets set for the German production. The targets for military economic production were fixed for the sphere of mineral oil, rubber, light metals, as well as for gunpowder, explosives and chemical warfare agents.

Mineral oil, rubber, and light metals are definite and strictly defined fields of production. Gunpowder, explosives, and chemical warfare agents, on the other hand only constitute the final products of complicated chemical syntheses, which in turn, require a great number of important preliminary and auxiliary products. An expansion plan for gunpowder, explosives, and chemical warfare agents therefore affects the whole of chemistry and requires a corresponding expansion plan for the various branches of the chemical industry.

To illustrate the proportionate expansion of the construction work required, the increase of the individual production, from the status in 1938 until the final target is achieved, is shown in brief.

Mineral oil. An increase of output from 2.4 million tons (purely production out of German raw materials without refining) in 1938 to 13.8 million tons to cover the demand in case of mobilization is demanded as the final target. The drawing-up of the plan showed that a capacity of approximately 8.3 million tons could be reached in 1942/43, and approximately 11 million tons in 1944. The

* This document was relied upon greatly by the prosecution. Paragraph 32 of the indictment is given over to it entirely. The decision of the Tribunal deals with it at some length. The defendant Krauch's testimony on this report appears later in this section (tr. pp. 5100 and 5101, 5134 and 5135).

target for the expansion which had been given earlier amounted to 5.5 million tons of mineral oils.

Rubber. The production is to be increased from 5,000 tons in 1938 to 120,000 tons annually as the final target.

Light metals. An increase from approximately 150,000 tons in 1938 to approximately 270,000 tons was demanded.

Magnesium. The target for expansion from approximately 13,000 tons to 26,000 tons is planned to be increased by the measures of exchange of aluminum in later developments to 36,000 tons annually.

This means an increase in *mineral oil* 4.6; in *rubber* 24; in *aluminum* 1.7; and in *magnesium* 2.8 times the production of 1938.

For *gunpowder, explosives, and chemical warfare agents,* and their preliminary products, a separate plan was developed which, after acceleration had again been ordered, showed the following targets:

Total of explosives from a capacity of approximately 5,400 tons per month to approximately 18,600 tons per month, that is a 3.5 increase. These figures constitute so-called pure explosive, that is, the highest quality organo-chemical nitration product. There are also additional products in the form of nitrate of ammonia, so that the total production target is approximately twice as high.

Nitrate of ammonia is no problem as far as the quantities of raw materials required are concerned. It can be made available.

The over-all target for gunpowder constitutes an expansion from 5,000 tons per month to 18,000 tons per month, and that means a 3.6 increase.

These expansion projects include the most varied chemical products and preliminary products. The requirements for highly concentrated nitric acid and the regeneration-of-oleum process are also included in this expansion program.

In the field of chemical warfare agents, only mustard gas (lost) is mentioned here as the most important ground-contaminating gas. The extension project for this pushed all those for other chemical warfare agents into the background. The expansion project rose from about 400 tons per month to 7,800 tons per month, which is a 19.5 increase.

When the *plan* was first drawn up, there were many who thought it *exaggerated or impossible. A comparison with the quantities of the required supplies recognized abroad for the mobilization of a modern great power, serves best to demonstrate the proportion of, for instance, the requirements for mineral oils.*

The German expansion target figures for mineral oils are about 13.8 million tons as compared with the French mobilization

requirements of about 13 million tons and the British mobilization requirements of about 30 million tons.

The requirements for fuel oil for the British Navy alone amount to about 12 million tons, that is nearly as much as the entire German mobilization requirements.

The *rubber* requirements of 120,000 tons per year are directly connected with German motorization and thereby again with the mineral oil project. The consumption of crude rubber for England was, in 1938, already about 105,000 tons, and for France about 60,000.

Light metals are of the greatest importance not only for the mobilization of the Air Force, but also for peacetime requirements, for the replacement of scarce metals. After completion, figures for aluminum reach 250,000 tons, this is half of the present world production and ten times the present British output. The output of magnesium will, after completion, amount to thrice the present world production.

The target for gunpowder reaches the Hindenburg program which, at the time of the World War, was regarded as the supply target for the German Wehrmacht. *The figures of the Hindenburg program were not reached during the World War.* The actual production was about 30 percent less at that time.

The present joint capacity of England and France is already as large as our target for the Rapid Plan. Our information, however, is not based on actual evidence of the output of gunpowder and explosives, but we have calculated these figures from the production figures for nitric acid, of which we have an accurate knowledge. The Allied output of gunpowder during the World War amounted to 2.4 times the German output, and to 1.8 times the figures of the Hindenburg program.

There is a similar position with regard to explosives. The present production plan is slightly higher than the Hindenburg program and about 30 percent higher than German production during the World War. *The present capacity of England and France is already about 10 percent above our target figures and the Allied output of explosives during the World War amounts* to 2.1 times the figures of our plan of expansion, 2.3 times the figures of the Hindenburg program, and 2.0 times the German output during the World War.

The position of *chemical warfare agents (mustard gas)* is such that our *target figures amount to 2.6 times the largest German production during the World War.* The *1919 program of the "Entente,"* already provided for quantities which were *10 percent larger than our present target,* which may be regarded as the best proof of the importance of chemical warfare agents.

If one considers these comparative figures, one is forced to realize that the *new* production plan for military economy sketched above, which was demanded by the Field Marshal on 12 July 1938, presents the *bare minimum* for the safeguarding of the nation's military economic power in these most important departments of raw materials economy. (Measures necessary for the protection of the new production plan in the key industries, such as coal, power, iron, have not been taken into consideration in this connection.)

Before going into details on the work of the different departments, we wish to give a short description of the means, such as steel, *money,* and manpower, which are required for its execution as main bottlenecks of the expansion project.

Steel requirements

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Nonferrous metal requirements

* * * * * * *

Financial requirements

Financially, the development of *buna* and *light* metals does not represent a problem, since private economy is supporting it, and Reich credits for the buna installations can be taken from the rubber revenue.

For munition and explosive plants, a capital of around 40 to 50 millions per month is necessary; this is derived from *Reich Defense funds* of the Reich.

Mineral oil offers the gravest financial problem, for here a total capital of 5.8 billions are required, of which about 685 million are still needed for the year 1939, 1½ billion *each* for the years 1940 to 1942 inclusive, and the balance during the year 1943.

Manpower requirements

* * * * * * *

*MINERAL OIL**

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As already pointed out, the Mineral Oil Plan has to cover the full supply of our aviation fuels for mobilization and must already permit of stockpiling in times of peace. In all other fields, the

* More than 40 pages of the original report deal with details of the separate fields of production covered by the two principal "Krauch" plans: the Karinhall Plan and the Rapid Plan. These fields of production are discussed under the following separate headings: "Mineral Oil," "Rubber," "Light Metals," and "Gunpowder, Explosives, Chemical Warfare Agents, Preliminary Products." Under each field of production, the report deals with such points as present production, further requirements, plans for expansion of plants and plant capacity, technical and research questions, financing, bottlenecks, stockpiling, raw materials questions, mobilization requirements, etc. Most of these details from the report are not reproduced here, although some further parts of the report are reproduced hereinafter under the subsections dealing with the production of particular products.

shortage will last even longer, especially as to Diesel fuel and fuel oil. Before 1943 special supply surpluses for the purpose of mobilization stockpiling are in no way to be expected.

Therefore the mobilization supply can only be fully and perfectly satisfied after stockpiling has begun in the year 1944/45. Even then stocks will only ensure supply for a certain time; after the stock is used up, a shortage in supply will again arise because only the current production will be available.

Importance of the Southeast

In other words, *the economic area of Greater Germany is too small to satisfy the military economic requirements as to mineral oil,* and the newly and successfully taken up contact with *Southeastern Europe* shows us the only, and hopeful, possibility *to insure* supplies for the mineral oil economy completely *for many years* by securing this area by means of the Wehrmacht. Here the first and most important work program is the support of the drilling *programs* in Hungary, Rumania, and Yugoslavia, and the influencing of the mineral oil economy there. If, in the next few years, we succeed in obtaining increasing quantities of finished products, especially automobile gasoline and Diesel fuel from this area, we can first begin to replace the present import from other countries and then, at last we can attain *systematic stockpiling* in Germany; and, finally, consider using mineral oil from Southeastern Europe, or distillations thereof, as *raw material in German hydrogenation plants,* and so almost double the profit as compared with the use of coal. The question of the transportation facilities is of special importance in this respect. The means of transport to be used, whether mainly railroads, ships, or pipelines, must be examined in great detail.

* * * * * * *

After having fixed the highest possibilities technically obtainable in the Mineral Oil Plan together with the industry, it will be the task of the next months together with the Wehrmacht agencies (as we have already done with the Luftwaffe), to work out the *supply and storage plans as exactly as possible* and to use the time for the more detailed study of the expansion planning. *The further great aim will be beyond the Greater German area, in which we can fulfill the last demands of the military economy only with difficulty, to take action by making plans based on the expansionist policy* [*"Grossraumplanung"*], and to develop *a far-sighted plan* together with the authorities which are working in cooperation with Southeastern Europe, *the aim of which is the ideal mineral oil supply for mobilization of the Axis Powers, to include the economic and raw material area of Southeastern Europe.*

RUBBER

* * * * * * *

LIGHT METALS

* * * * * * *

GUNPOWDER, EXPLOSIVES, CHEMICAL WARFARE AGENTS, AND PRELIMINARY PRODUCTS

* * * * * * *

Possibilities for additional increase of production

In summing up, it should be stated that the great possibilities which the German chemical industry has to offer our home defense as regards supplies of powder, explosives, and chemical warfare agents, cannot be sufficiently stressed. The present programs do not by any means attain the limits of what German chemistry can do when it is developed toward a definite end. Above all, the branch of this science which deals with *chemical warfare agents* has possibilities ahead of it in the growing field of basic German raw materials, within the Mineral Oil Plan, in waste gases from the hydrogenation process, and long-distance piped gas [Ferngas], etc., possibilities which might almost be termed inexhaustible.

Necessity for a further increase of steel allocation for the Rapid Plan and additional increase of production

The following facts show already that the present slowing-down of the Rapid Plan may be nothing but a short episode.

1. The military demand for explosives and powder has, without doubt, greatly increased owing to the progressive development and vast increase of quick-firing guns in all modern armies, to the unprecedented growth of defense power through the mass use of armor and concrete, and to the development of the Air Force (antiaircraft and airmen) into a new large-scale consumer of explosives within a modern army.

The consumption of ammunition in the German Army, therefore, in action against an enemy equipped with modern arms would *at least correspond to that of 1918.* As it must be assumed that the military strength of the German Nation will be drained as regards personnel, the *total of the daily supplies* needed by the army in ammunition, and thus in powder and explosives, will by no means be smaller than in 1918, but *must* be considerably larger.

In this connection a factor of particular importance must not be overlooked.

Even the *decisive actions* carried on *in Spain* on comparatively small fronts required, if each attack was to be successful, the consumption of a quantity of ammunition *in a few hours which*

could only be achieved by strict economy for weeks and months along the whole of the front line. Thus the situation has not changed in this respect either, as compared with World War I. [Handwritten note: As might erroneously be concluded from the war in Eastern Asia.]

During the German attack of 27 May 1918, as regards light artillery ammunition alone, a 4 days' supply for the entire field forces (over 200 divisions) was used in preparatory fire which lasted only a few hours along a 25 km. front.

In addition to the consumption of the Army and Navy, there has of late been a great consumption of powder and explosives by the Air Force for anti-aircraft artillery (in all three branches of the Armed Forces and in home air-raid protection), and for bombs corresponding to the increased rapidity of fire, the amount of country to be protected, and the increased loads carried by the planes. It is the Air Force in particular which will require the maximum of supply during the first days of the war, and in any case many times more than the daily production. The situation outlined here will probably apply to all modern armed forces.

2. In the case of Germany, there are additional factors which cause a large demand for powder and explosives:

a. The smaller the number of aircraft and guns, the greater is the need for ammunition in order to achieve the same results as are obtained with a superior number of weapons on the opposite side.

b. Today, as in 1914, the political and economic situation of Germany—a fortress besieged by the world—seems to require a rapid decision in the war by destructive blows right at the outbreak of hostilities. These naturally consume a quantity of ammunition every day which is far in excess of the war production capacity. Thus the Supreme Military Command has freedom of action only *if the stores of powder and explosives are so large* as to cover the demand of many consecutive actions. *The recollection of the decisive effect of the shortage of ammunition which occurred from September 1914 onwards* should cause Germany to exert herself to the utmost at the beginning of the war to make sure that in the range of *her own ammunition possibilities she has absolute superiority over those of the enemy, for this may be decisive for the war.* At least our aim should be not to *expose the command, as in 1914, to an intolerable dependence on a state of complete shortage* of powder and explosives, *for which we ourselves are to blame.* As the present production capacity of France and Great Britain already exceeds the final target of the Rapid Plan, this plan by no means meets the needs of the command.

Whereas our enemies (from the very first day of the mobiliza-

tion, or presumably, already now from the U.S.A.) will be assisted by the supplies of powder, explosives, and ammunition from the whole world, *Germany will have to supply her allies with powder and explosives to a large extent,* as their armament industry and supplies of raw materials are not sufficient for the requirements of a decisive war.

c. Without the documents which are only available to the German Armed Forces, it is impossible to compute any definite figures for requirements beyond these assumed and relative quantities. Nevertheless, some essential facts will lead to urgent conclusions, at least in outline.

I. The maximum German production capacity during the World War amounted to 14,000 tons of explosives per month in 1918. If the requirements in explosives of World War I are increased by 25 percent corresponding to the development of the fighting power because of the increase in population, this results in 17,500 tons per month. The increase in this consumption of ammunition caused by weapons becoming automatic means an addition of at least 100 percent, which makes 35,000 tons per month. In addition there is the increased consumption of the Air Force, which is certain to amount to at least ⅓ of the two other branches of the Armed Forces. This makes the total requirements over 47,000 tons of explosives per month.

II. On the whole I arrive at the same result even if I make my calculations on another basis: The current production of aviation gasoline makes it possible that, in 1942, 1,800 aircraft will be in the air for 6 hours daily. If 1,200 of these are assumed to be bombers, they can release 2,160 tons daily with 1,080 tons of explosives. Thus the current monthly needs of the Air Force in explosives would amount to 21,600 tons; 10,800 tons of high explosives, for 20 raids per month. This figure seems to be correct, if we assume that the Air Force is exploited to capacity, especially at the beginning of the war. It shows without any doubt whatsoever that the final goal of the "Rapid Plan" to produce 19,000 tons of explosives per month simply does not meet the demands of the whole of the Armed Forces, as the demands of the Army and Navy together will probably amount to 3 times the amount required by the Air Force, which would make a total amount of 57,000 tons per month for the Armed Forces for 1942.

In contrast to this minimum need of roughly 50,000 tons per month, which is sure to be further increased by the demands of our Allies, stands the output of 16,000 tons per month in 1942. Even if by that time we should succeed in storing a supply for 6 months, that is 60 days of action, by setting aside about half of the production of the years 1939 to 1941 (240,000 tons per

month), after about 3 months there would again be a shortage of explosives, as in the fall of 1914, which would paralyze the strategic freedom of action of the military command in its endeavors to bring about a decision (20 days of action per month) as the production capacity would no longer be sufficient to cover even ⅓ of the demand.

3. In spite of this very serious situation, the Rapid Plan for the production of gunpowder, explosives, and chemical warfare agents—as already emphasized several times—has been slowed down by the decree of 6 January 1939 in such a manner that the achieving of the final goal has been delayed up to 1½ years. Beyond that, an unbearable uncertainty has recently been brought into the expansion by the nonallocation of the required material for the carrying out of the slowed-down plan. As reason for the slowing-down of the Rapid Plan it was stated that the production of projectile cases cannot keep up with the production of gunpowder and explosives. *In my opinion this decision requires an immediate reexamination and correction, because essential factors are not taken into consideration by it.*

a. The powder and explosives required by the German allies can be supplied much more easily now by stockpiling the surplus of the production, which cannot be taken in by the shell factories, than, in case of mobilization, from the war capacity which can scarcely supply our own daily requirements. Italy's present capacity, for instance, is at the outmost 1,000 tons per month explosives, and 100 tons per month gunpowder. Conditions in Spain and Hungary are equally unfavorable. Suitable negotiations should be started as soon as possible.

b. Powder, explosives, and chemical warfare agents are especially valuable means of bartering with our allies against raw materials. Furthermore it will be necessary to ask those of our allies who are in a not unfavorable condition with regard to labor (Italy) and raw materials (Spain), now to make sure of their own supply themselves, for the case of mobilization, to the greatest possible extent, because German capacity can support them in peacetime only.

c. The urgent necessity to utilize all possibilities to obtain supplies, because, according to the experience of the last war, the full capacity of the production of explosives is much more endangered by sabotage and air raids than the production of the projectile cases. During the last war, for instance, only a few individual factories for explosives in Germany could operate continuously without disruption caused by accident or sabotage.

d. Powder, explosives, and chemical warfare agents can be stored cheaply and without deterioration for an unlimited period,

and later, in the course of production of ammunition, can be filled into the shell and bomb cases. In case of war, each ton of stock equals 2,000 working hours saved, and that is the work performed by 200 workers in one day.

4. Therefore it is important that:

a. All measures should be taken immediately in order to secure the carrying out of at least the slowed-down Rapid Plan.

b. Beyond that to carry out the Rapid Plan at its original speed, as from April 1939, where, especially in view of the ammunition difficulties, it should be considered whether emphasis should not now be shifted to chemical warfare agents.

c. To start immediate production in all installations which are ready.

d. To build the required storage facilities immediately, and to accrue stocks or to hand them on to our allies.

4. Besides that, it should be considered whether, and how far, within the framework of the general raw material and labor situation, the possibility for an expansion of the Rapid Plan exists, as this seems to be necessary so that in case of mobilization the output will correspond to the requirements.

Conclusion

When on 30 June 1938 the objectives or increased production in the spheres of work discussed here were given by the Field Marshal, it seemed as if the political leadership could determine independently the timing and extent of the political revolution in Europe and could avoid a rupture with a group of powers under the leadership of Great Britain. Since March of this year there is no longer any doubt that this hypothesis no longer exists. The economic war against the anti-Comintern powers under the leadership of Great Britain, France, and the U.S.A. which has already been conducted secretly for a long time, has now been finally revealed; as time passes it will become more and more severe.

In Wilhelmshaven the Fuehrer expressed his determination not to remain passive in view of this policy of encirclement, which for the time being is economic and political, but is aiming ultimately at military isolation.

I am of the opinion that from this decision the *necessary conclusion* will have to be drawn without delay, and for the economic sphere of the chemical industry as well. The following is a general outline:

Formation of a uniform major economic bloc of the 4 European anti-Comintern partners, which Yugosalvia and Bulgaria will soon have to join.

Within this bloc there must be a *building-up and direction of*

the military economic system from the point of view of defensive warfare by the coalition.

The bloc must extend its influence to Rumania, Turkey, and Iran. *The German-Russian political treaty will serve as a suitable example* for the methods to be applied for gaining influence.

The great importance of extending commercial relations with Russia is stressed by the gradual orientation of the German economic and export centers to the East and by the compelling necessity of utilizing the Ukraine (iron) in case of war.

The dependence of Italy and Hungary, and at present also of Spain, upon our military-economic support in nearly every branch of necessary supplies is known. This aid has not yet been taken into consideration in the budget for 1942 of the quantities required for mobilization. It seems to me that from this, the necessary conclusion must be drawn *to extend—with the agreement of the coalition partners*—the new production plan for military economy to the other raw material production areas as well, with the aim of securing the military economic autarchy of the anti-Comintern coalition.

On the one side we have Italy and Hungary depending entirely on German support. On the other side there is *Spain* with a favorable, *not yet fully exploited raw material basis,* which is lacking sufficient development with regard to production equipment, and which, if exploited immediately, could become a surplus supply area for the military economy of the coalition. Provided peace can be maintained, Spain might offer Germany at least equally large possibilities for mutual economic penetration as, for instance, Rumania. However, since communications with Spain are subject to naval supremacy in a considerable part of the Mediterranean Sea, and therefore will remain an uncertain factor, *the center of development must be in Southeastern Europe.*

The distribution of the spheres of interest between Germany and Italy would have to be made from the point of view of the highest military and political effectiveness for the coalition and at the same time, take into consideration the scarcity of labor in Germany and the excessively high wage scale prevailing.

It is suggested that the following individual measures should be taken immediately:

A. Mineral Oil

Planning an economy adjusted to wide areas for the combination of the German development plans with the possibilities of Southeastern Europe.

Speedy increase of Rumanian production by extending drilling activity.

Speedy settlement of the question of transportation to Germany and Italy (shipping tonnage, pipelines).

Conversion of German gasoline-production works, favorably situated from a technical transport point of view, for crude or topped [getopptes] Rumanian petroleum.

Building up a new gasoline-producing installation on the basis of Moravian coal in order to shorten the transport lines for raw materials and finished products in supplying Southeastern Europe.

Building of Italian installations in Albania and additional installations in Hungary, Bulgaria, and Yugoslavia.

B. Buna

Ascertaining the requirements of the Allies.

Setting up of a buna base in Southeastern Europe.

Conversion [to buna] of the rubber manufacturing industries of the countries in question.

C. Light Metals

The situation in regard to light metals is similar.

After ascertaining the total requirements of the allies, additional works should be built. In view of labor and transportation difficulties this should, if possible, be in Hungary and Yugoslavia.

D. Gunpowder, Explosives, and Chemical Warfare Agents

As here no particularly large quantities have to be considered for transport, and as the German raw material basis is sufficient for any quantity required, merely an expansion of the *German* capacity has to be considered. This seems quite possible, even with full coverage of labor requirements from Germany, if *only* the gunpowder, explosives, and chemical warfare agents are exported, but not the cases.

The export of explosives, et cetera, is a useful means of exchange for raw materials which we lack. The only difficulty in the expansion of production is constituted by the labor problem. (Here the limit is approximately 50–60,000 tons per month, because it seems hardly possible to get more labor out of the total personnel available of the German people.)

All this planning can be realized within the required short space of time only if leading men of the chemical *industry* are entrusted with its execution. They alone have the necessary experience in every branch, the required experts for the development (research, planning, expansion, production, and transportation), the necessary influence in regard to the decisive factors in the foreign countries.

SUMMARY

Summarizing the situation in the sphere of chemistry, the situation is as follows:

Since the time when I was commissioned by the Field Marshal, very satisfactory progress has been achieved towards the target set on 30 June 1938.

Difficulties were only caused, in my opinion, by not quite reasonably accounted for deviations from the original plan of allocation of materials. Such deviations, in my opinion, lead to an unbearable spinning-out of the plan and should in future be subject to the explicit *personal* approval of the Field Marshal.

By the policy of encirclement manifested by the enemy a *new situation* is created.

It is essential for Germany to strengthen its own war potential as well as that of its allies to such an extent that the coalition is equal to the efforts of practically the rest of the world. *This can be achieved only by new, strong, and combined efforts by all the allies, and by expanding an improved greater economic domain,* corresponding to the improved raw material basis of the coalition, *peaceably at first, to the Balkans and Spain.*

*If action does not follow upon these thoughts with the greatest possible speed, all sacrifices of blood in the next war will not spare us the bitter end which once before we have brought upon ourselves owing to lack of foresight and fixed purpose.**

* This sentence was quoted in paragraph 32 of the indictment.

TRANSLATION OF DOCUMENT NI–1237
PROSECUTION EXHIBIT 457

LETTER FROM FRITZ TODT, PLENIPOTENTIARY GENERAL FOR THE CONTROL OF THE BUILDING INDUSTRY, TO THE REICH MINISTER OF LABOR, 31 AUGUST 1939, CONCERNING THE PREFERENTIAL ALLOCATION OF WORKERS TO CONSTRUCTION PROJECTS FALLING WITHIN THE KRAUCH PLAN

Minister President Field Marshal Goering
Plenipotentiary for the Four Year Plan
The Plenipotentiary General for the
Control of the Building Industry
Inspector General Dr. Ing. Todt
G.B.5596

Berlin W 8, 31 August 1939
Pariser Platz 3
Tel.: 11 63 31

(Express letter)

To the Reich Minister of Labor
Attention: State Secretary Dr. Syrup
Berlin SW 11, Saarlandstrasse 96

Subject: Preferential allocation of workers who are being released to construction projects within the framework of the Krauch Plan

Within the next few days various construction projects in the Reich will no doubt have to be put off as not having absolute priority. Besides the *constructions* for *air-raid protection,* which I have already recommended for preferential labor allocation, I herewith request that workers being released be put at the disposal of the construction projects of the so-called Krauch Plan, for which I hereby lift the restriction on construction. [Handwritten marginal note: Taken care of by order of 8.9.39 V a 5552/417/39g]. The Krauch Plan is at present in need of 13,000 workers. It is a question of about 100 construction projects. I have asked Dr. Krauch to submit to you *without delay* a list of the various construction projects, arranged according to regional labor office districts, and I request you to send appropriate instructions to the regional labor offices.

Heil Hitler !
[Signed] Dr. Todt

[Handwritten:
Berlin, 4–9–39, after 5 days one list from Dr. Krauch]

PARTIAL TRANSLATION OF DOCUMENT NI-8796
PROSECUTION EXHIBIT 459

TOP SECRET MEMORANDUM OF THE KRAUCH OFFICE, 15 OCTOBER 1939, CONCERNING THE STATUS OF THE EXECUTION OF THE NEW MILITARY ECONOMIC PRODUCTION PLAN

Execution of the *New* Military Economic Production Plan of 12 July 1938, including the Rapid Plan (powder, explosives, chemical warfare agents and preliminary products) of 13 August 1938 in the event of mobilization

Status on 15 October 1939

6 copies, 1st copy [Stamp]
Top Secret

Following the submission, at the end of August, of a survey concerning execution in the event of mobilization in the fields of mineral oil, buna, chemistry, light metals, and also the Rapid Plan (powder, explosives, chemical warfare agents), the following summary gives a picture of the latest state of planning and execution.

General

The basic principles for execution in the event of mobilization have been retained in their entirety, according to which the main stress is to be laid on those building projects which could possibly start supplementary production within 1 year. Long-range projects have been postponed for the present.

The whole iron quota of the new military economic production plan now has been concentrated in one *WROX* * *quota* for the categories mineral oil, buna, chemistry, and light metals, and has been made available by the Wehrmacht in sufficient quantities for all practical purposes, in the same manner as cement, wood, and nonferrous metals.

Allocation for the Rapid Plan (powder, explosives, chemical warfare agents, and part of the preliminary products) is made through the Ordnance Office of the Army High Command.

The rest of the preliminary products will be produced within the chemical sector.

The details of the following memorandum have been coordinated by the Military Economics Staff of the High Command of the Wehrmacht and the Ordnance Office of the Army High Command, and there is complete agreement concerning the individual categories and building projects.

* Code name for allocations of iron for building projects authorized by the Reich Office for Economic Development in agreement with the Army Ordnance Office.

A. Mineral oil

Construction of the large hydrogenation plants at Poelitz, Gelsenberg, Boehlen, Zeitz, Welheim will be *accelerated.* With regard to Wesseling it will be investigated whether, for security reasons, its construction is to be continued on another site, for instance Lausitz, or whether it is to be exported in its entirety to Russia in exchange for oil shipments. Owing to the steel situation, the Silesian hydrogenation project will only be prepared for long term deliveries. All Fischer plants that are almost constructed, especially Ruhland, will be completed speedily.

The following cracking and "Topp"[1] plants will be *started immediately* to process mineral oil and to adapt production to possible additional imports of crude oil from the East and Southeast: "Topp" plant Heide/Holstein and Ostmark; furthermore, extension of the lignite low-temperature distillation plant at Espenhain. Of the whole Bruex project, only the lignite distillation will be continued.

Construction of the hydrogenation plants at Scholven-Gladbeck, Lausitz, the Bruex hydrogenation works, also of most iso-octane plants, except those working on a basis of hydrogenation waste gases, will *be postponed.* The Silesian iso-octane plant will presumably be started with an iron allocation from the Luftwaffe.

The Falkenau Fischer-plant will also be postponed.

The middle vertical column in the "mineral oil" graph shows the present mobilization production assigned to the plants for aviation gasoline, motor gasoline, Diesel fuel and fuel oil. The left-hand vertical column shows the proportions when production of aviation gasoline is increased, the right-hand vertical column when production of Diesel fuel is increased. Fuel oil production remains practically the same in all cases.

The estimate of German mineral oil production is shown in the diagram, bottom left.[2]

B. *Buna*

All construction projects for the production of buna and carbon black, as well as for buna processing, will be accelerated. In view of the increased load on the processing industries, owing to the change-over to tires and other articles made with a high-percentage of buna or pure buna, all projects for the processing industries must be continued.

The "Buna" diagram shows the probable production plan on the basis of the expansion schedules which can be surveyed at the present time. There is no graph for the projects in the field of

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[1] "Toppen": a stage in the process of oil refining.

[2] The diagrams attached to this memorandum were not offered in evidence.

chemistry. The relative extent of the expansion is shown merely by the material requirements.

C. *Organic chemistry, including plastics*

In view of urgent Wehrmacht demands, new production of certain plastics, particularly oppanol and polyvinylchloride, will be started. Furthermore, phenol production will be increased and the expansion of pressing plants continued, in order to cover Wehrmacht demands and the increased demand for substitute materials, in view of the scarcity of nonferrous metals.

Production of toluene by means of high-pressure synthesis in the Poelitz plant, as well as synthetic production from benzene and methanol for the explosives program, must be accelerated with all available means.

D. *Inorganic chemistry*

Supplementary buildings for primary nitrogen and nitric acid production will be carried out. Construction of the Linz nitrogen plant, development of highly-concentrated nitric acid, and conversion of plants from calcium ammonium nitrate to ammonium nitrate will all be restarted; furthermore, the supplementation of the production facilities of the Eastern Upper Silesia and Polish plants at Chorzow, Knurow, Wyry, and Moscice, as well as their amalgamation into one technical unit, will be carried out.

Development of soda production will be continued and, in view of the chemical warfare agents program, production of elementary sulfur will be commenced. Supplementary production of sodium for the production of tetraethyl-lead will be started.

E. *Light metals*

The greatest possible acceleration of the development of magnesium and aluminum capacities is required for the new building program of the Luftwaffe and for procuring substitute materials in the sphere of nonferrous metals. Since the question of power supply from the public network has been clarified, it has been possible to formulate a comprehensive plan for the expansion of light metals, which indicates considerable increases for magnesium and aluminum by 1 April 1940 and the end of 1940 respectively.

Since idle export machinery is not to be used in the new plants of light metal works, but is to supplement production of consumer goods, the construction of special power plants is unnecessary. The expansion of the production of alumina must run parallel to aluminum production, particularly in view of the danger to the plants in the West.

The diagram shows the development plan for magnesium and aluminum.

F. *Powder, Explosives, Chemical Warfare Agents and Preliminary Products, "Rapid Plan of 13 August 1938" (To be carried out with the Ordnance Office of the Army High Command)*

The present over-all plan remains completely unchanged. Its focal point will be those building projects which are nearing completion. With regard to *powder,* it is hardly possible that, by the end of 1940, production will exceed that laid down by the plan, and judging from the result of the Polish campaign, that will hardly be necessary.

Explosives production, however, particularly for bombs for the Luftwaffe, must be *increased considerably,* as the experience of the Polish campaign has shown.

For *explosives* a *"Supplementary Mobilization Plan"* to the Rapid Plan has been set up, which includes immediate construction of two large trinitrotoluene factories. The completion of a second large hexogen plant has been planned for the middle of 1941. Production of ammonium nitrate as an adulterant and of ammonal explosives can and must be increased considerably. Since hexogen is a particularly high-grade component for the manufacture of adulterated explosives, the production of dinitrobenzene, as a filler, must be supplemented over and above the facilities of the chemical industry freed for that purpose, by means of new buildings.

This measure would make it possible to cover the demand for explosives, which will presumably increase very rapidly, without having to impose limitations as to the quality of the explosives.

A large-scale program, which provides for a very sharp increase in mustard gas production, has meanwhile been formulated for the *production of chemical warfare agents.*

Accelerated completion was only possible by using the carbide reserves available at the nitrogen of lime plants at Trostberg, Piesteritz, and Chorzow.

If the production plants for chemical warfare agents, after completion at the end of 1940, are utilized to the full, production of nitrogen of lime at Piesteritz and Trostberg will cease from that date and production at Chorzow will cease from the middle of 1941, for the duration of the chemical warfare agents production program.

One of our new projects is the production of "Perstoff" [1] [trichloromethyl-chloroformate], and also of special products on a limited scale.

The first diagram [2] shows the Rapid Plan of 13 August 1938 and the Supplementary Mobilization Plan. The left-hand vertical

[1] A chemical warfare agent.

[2] The diagrams attached to this memorandum were not offered in evidence.

column shows, separately, high-explosives, fillers, and auxiliary explosives (ammonal). The middle column shows the total production of explosives, a part of which has been included as pure high-explosives, in accordance with Wehrmacht demands. Most of the trinitrotoluene will be adulterated with ammonium nitrate in a proportion of 60:40. The greater part of the hexogen will be adulterated in the ratio of 15 percent hexogen, 50 percent dinitrobenzene, and 35 percent ammonium nitrate. In addition, ammonal (with 90 percent ammonium nitrate) is included as a finished explosive. The suggested mixture ratio will not produce "substitute explosives" but a *full-quality combat explosive,* which will fulfill all requirements.

The right lower side shows the expansion plan for *powder* and above it the expansion plan for *chemical warfare agents.*

The second sheet contains the expansion plan for the most important preliminary products of the Rapid Plan and Supplementary Mobilization Plan. Highly-concentrated nitric acid, ammonium nitrate, total nitrogen requirements, as well as the trinitrotoluene and methanol demands.

A separate diagram provides a survey of the *material requirements* and the *present iron allocation* for—

(1) The categories mineral oil, buna, chemistry and light metals.

(2) The Rapid Plan and the Supplementary Mobilization Plan.

TRANSLATION OF DOCUMENT NI–7132
PROSECUTION EXHIBIT 462

DIRECTIVE OF FIELD MARSHAL GOERING, 5 DECEMBER 1939, CONCERNING THE REORGANIZATION OF THE REICH OFFICE FOR ECONOMIC DEVELOPMENT[1]

Minister President Field Marshal Goering
Plenipotentiary for the Four Year Plan
St. M. Dev. 11319/39

Berlin, 5 December 1939
[Stamp]
High Command of the Wehrmacht
9 December 1939

Reorganization of the Reichsstelle [Reich Office] for Economic Development

The special circumstances of the war make it necessary to reorganize the "Reichsstelle" for Economic Development about which there have meanwhile been several discussions. I herewith summarize the results, whereby my decree of 5 February 1938—St.M.Dev. 1245—is changed:

1. While retaining its characteristics as a high Reich authority, subordinate to the Reich Ministry of Economics, the Reichsstelle for Economic Development will now become the "Reichsamt for Economic Development." [2]

2. The Reichsamt for Economic Development has the following tasks:

a. to further research and development of industrial production and processing of raw materials by all measures deemed appropriate; to initiate and supervise research work, and to have the care and control of inventors and inventions;

b. to observe the requirements and preparation of the planning still to be determined by the Reich Ministry of Economics in the field of industrial production;

c. to initiate, take care of, and supervise the building projects authorized under the planning, to regulate raw materials with regards to this; to conduct negotiations for financing.

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[1] The distribution list shows that the original of this memorandum was sent to the Reich Minister of Economics; copies of it went to all other Reich Ministers, Administrative Groups, and the Plenipotentiary for the Four Year Plan.

[2] The only change in the two titles in the German language is that the word "Reichsstelle" becomes "Reichsamt." Both "Stelle" and "Amt" are ordinarily translated into English as "Office," hence no change in the translation occurs. In German practice the designation "Amt" indicated a higher position in the hierarchy of government terminology than the word "Stelle."

3. In order to carry out its tasks in time, the Reichsamt must be able to ask for direct *information* from the supervisory offices and other organizations and authorities for economic policy. Reversely it must naturally hold itself at the disposal of the above offices for information and consultation. The more thoroughly this work is gone into, the better will be the results of this joint undertaking.

4. The work of setting up *plant staff settlements,* so far undertaken by the Reichsstelle for Economic Development, is not to be carried out any further, but is to be transferred to the Reich Minister of Labor as the competent Reich Minister. *The Office for Foreign and Colonial Raw Materials,* which formed part of the Reichsstelle for Economic Development, will be dissolved.

5. Nothing is altered as regards the availability of the Reichsamt for other departments.

6. I agree that my Plenipotentiary General for Special Questions, Professor Dr. Krauch, be entrusted with the direction of the Reichsamt. For dealing also with special tasks set by me, he will avail himself of the machinery of the Reichsamt, so that the creation of a special apparatus is superfluous.

7. This new regulation becomes effective on 10 December 1939.

[Signed] GOERING
Certified
[Signed] BRAUCHMANN
Administrative secretary

[Seal]

Minister President Field Marshal Goering
Plenipotentiary for the Four Year Plan

PARTIAL TRANSLATION OF DOCUMENT NI–7474
PROSECUTION EXHIBIT 466

EXTRACTS FROM THE MINUTES OF THE MEETINGS OF THE GENERAL COUNCIL (GENERALRAT) OF THE FOUR YEAR PLAN, 20 DECEMBER 1939, 10 JANUARY 1940, 24 JUNE 1941*

MEETING OF 20 DECEMBER 1939

* * * * * * *

II. Professor Krauch reported on the results of his work in 1939 and forecast the prospects for 1940 and 1941.

It appears that despite great difficulties, success has been achieved in fufilling entirely the demands of the Karinhall Plan of 1938, and indeed even surpassing them in many points. The establishment of reserves during 1939, ordered in the program, will begin to have effect in the course of 1940. (The figures referred to cannot be quoted here.)

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MEETING OF 10 JANUARY 1940

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e. Professor Krauch indicated the connection between the iron quota and the start of *raw material production;* in the years 1936 and 1937 the mineral oil program brought a yearly increase in production capacity of 300,000–350,000 tons per year. The iron shortage in 1937/38 reduced the increase in 1938 to 200,000 tons per year. In consequence of the commencement of the Karinhall Plan in the summer of 1937, despite the concession of only 75 percent of the iron applied for, an increase of 885,000 tons per year was achieved in 1939; in 1940 an increase of 1,200,000 tons per year; and in 1941, one of as much as 1,400,000 [tons] is to be expected. A reinforcement of the iron distribution has also succeeded in doubling the quantities envisaged in the Four Year Plan.

f. State Secretary Koerner requested the departments to submit their requests with regard to the raw material situation briefly in writing by 16 January.

2. Professor Krauch supplemented Under State Secretary von Hanneken's statements in the following points:

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* These meetings were held under the chairmanship of Paul Koerner, permanent deputy of Goering as Plenipotentiary for the Four Year Plan. At each meeting a number of State Secretaries of various Ministries were present. General Thomas, chief of the Military Economics and Armaments Office of the High Command of the Wehrmacht, was present at each of the meetings of which extracts from the minutes are reproduced here. The distribution list of the minutes shows a copy going to the defendant Krauch.

a. Colored metals [*Buntmetalle*]. From 1941 onwards an exchange of 120,000 tons of copper per year against magnesium, iron with little carbon content, and small quantities of aluminum will be possible. For the rest, industry will have to curtail its colored metal demands considerably. It is today receiving even more than in 1918.

The mercury supply for 1940 has been assured through successful negotiations with Italy.

The demands for *wolfram* and *cobalt* have been considerably decreased by recent technical progress.

b. The newly decreed switch-over from aviation gasoline to automobile gasoline (about 8–10,000 tons per month) was considered unpractical by Professor Krauch, since aviation gasoline can be obtained from Rumania only in small quantities, and from Russia not at all, while both countries can supply automobile gasoline. The *mineral oil supply* was assured by exploitation of the meanwhile recently disclosed possibilities for the import of 2,500,000 tons per year. This presupposed the settling of the transportation question. This could not be solved without the delivery of 1,000 Luftwaffe tank cars for the transportation of Rumanian mineral oil.

c. Professor Krauch then touched on two further bottlenecks, which can be avoided by early decision.

1. *Leather.* The mobilization requirements of 13,000 tons per month could be fulfilled to some extent in 1940 by cutting down stocks. From 1941 onwards, they could be satisfied only if the production of synthetic leather fibres and synthetic rubbers were expanded.

2. The mobilization requirements of *industrial fats* to the extent of 240,000 tons per year were assured for 1940, though very barely, by employing edible fats. In view of the situation with regard to edible fats supplies, however, State Secretary Backe stated that no more fats could be made available for 1941. The complete lack of soap could be avoided only if the processes already developed technically in accordance with Professor Krauch's ideas were made ready for factory production. This demanded that additional quantities of iron be placed in readiness.

On the question of *synthetic edible fats,* Professor Krauch described certain difficulties established in experiments. The major experiments would be continued, but there was a general agreement that any mention in propaganda form of this discovery must be avoided. It would at first be quite sufficient to improve the foodstuffs sector by saving edible fats in the soap sector.

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6. State Secretary Koerner pointed out that the details discussed today must on no account go further. *These minutes must therefore not leave the hands of the recipient.*

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MEETING OF 24 JUNE 1941

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IV. On the subject of the position of the military economic production plan, Professor Krauch stated:

1. *Mineral oil.* The requirements for 1941 amounted to 7,900,000 tons as against 5,900,000 tons in the previous year. German production has increased from 3,500,000 tons in the past year to 4,200,000 tons in the current year. The imports from Rumania have doubled in the same period (from 800,000 in 1,600,000 tons).

Imports from Russia, together with those from other countries, decreased from 800,000 in 1940 to 300,000 in the current year. To meet the increased requirements for 1941, the available stocks have to be used until only negligible quantities remain.

In 1942, there was a gap of 600,000 tons of supplies to be bridged, assuming that the requirements remained the same, that home production increased from 4,200,000 to 5,400,000 tons, and that imports from Rumania to Germany amounted to 1,800,000 tons. To meet the deficit, one would have to fall back on increased imports from Russia. Increased imports were also prerequisites for the increase in aviation fuel production which had been ordered.

The total coal requirements amount to about 15,000,000 tons per year of pit coal in 1943–44. Certain changes have arisen through the use of Russian mineral oils.

2. Buna. Buna production will reach 65–70,000 tons in the current year and 100,000 tons in the coming year. An interruption of work at Huels in the beginning of May was overcome in the meantime.

3. Light metals. Production increased from 238,000 tons of foundry aluminum in 1941 to 280,000 in 1942. The expansion of silumin production (from 5,000 to 6,000 tons per year) and of reclamation of scrap metal (from 4,000 to 27,000 tons per year) ran parallel. The Norwegian production capacity will be expanded from 30,000 tons per year in 1941 to 63,000 tons per year in the following year, and to 105,000 tons of foundry aluminum per year in the year after that. Further supplementary building projects are included in the planning.

The alumina deficit amounted to 56,000 tons in the current year, and will be 46,000 tons in the coming year. The consequent

aluminum deficit amounts to 28,000 and 23,000 tons per year respectively. Every attempt will be made to diminish the deficit. (Classify as O.) *

The new plan of 23 June 1941 for light metals will necessitate certain alterations in planning.

The magnesium expansion progresses with 30,000 tons in 1941 and 33,000 and 39,000 tons respectively in the next two years.

There are at present in Germany, Norway, and the rest of Europe about 440,000 tons per year, as against the enemy powers' 420,000 tons per year. The difference will increase in our favor to 60,000 and 70,000 tons per year respectively, in the next two years.

4. Leather. Through the new synthetic substitutes, nearly adequate provisioning will be possible (leather requirements—13,000 tons per month!) by the end of 1942. Supplies and captured stocks will be exhausted by the end of 1941.

5. Industrial oils and fats. The demand for 210,000 tons per year could be met in the current year to the extent of 134,000 tons, and in the next year to the extent of 184,000 tons, by synthetic production. Shortening of the production schedules in these spheres would be possible only by classifying them as SS and O.*

6. Gunpowder and explosives. The position with regard to supplies could be considered as assured.

7. Nitrogen. The increased gunpowder and explosives production has resulted in a 50 percent increase in the nitrogen requirements as against 1938/39. The nitrogen production in 1941/42 has increased by about 100,000 tons to about 1,100,000 tons, and will rise in 1944/45 to 1,500,000 tons. The home sale of nitrogen fertilizer is at the same level as in 1938/39. As, however, the Eastern areas must also be supplied, 100,000 tons per year less are available in the old Reich area.

In the discussion following this, State Secretary Backe pointed out the insufficient supply of nitrogen for agriculture. Only 83 percent of the German requirements were met. Professor Krauch emphasized that nitrogen production could be increased by 120,000 tons—that is, 1,500,000 tons increase in grain production—by exploitation of equipment still available in the occupied western areas. A prerequisite for this is that sufficient coal and sulfuric acid should be made available.

State Secretary Landfried considered it a matter of urgency that the coal requirements be brought into alignment with the

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* Priorities were at first classified as 1, 2, and 3. Then, for especially urgent cases, came the classification "O", and later, for still more urgent cases, came the classification "SS" (Sonderstufe-specially urgent priority).

possible production. According to Professor Krauch's statement, certain possibilities of economizing might emerge if, in place of German coal, Russian crude oils could be hydrogenated.

According to State Secretary Backe, delivery of edible fats to the industrial fats sector was out of the question in the 3d year of war.

State Secretary Kleinmann broached the question of an increase in the Diesel fuel quotas for inland shipping. He pointed out that the present level of the quotas did not allow of full exploitation of inland shipping.

State Secretary Landfried replied that the reasons presented by the Reich Minister of Transportation for an increase of the quota had been thoroughly investigated. However, the supply situation did not permit of an increase in the quotas.

[Signed] BERGBOHM

PARTIAL TRANSLATION OF DOCUMENT NI-7291
PROSECUTION EXHIBIT 471

EXTRACTS FROM A FILE MEMORANDUM OF GENERAL THOMAS, CHIEF OF THE MILITARY ECONOMICS AND ARMAMENTS OFFICE OF THE HIGH COMMAND OF THE WEHRMACHT, 26 FEBRUARY 1941, CONCERNING A CONFERENCE WITH GOERING

Berlin, 27 February 1941

[Stamp] Top Secret

Memorandum for the files on a report given at the headquarters of the Reich Marshal on 26 February 1941

The following were dealt with:

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5. Krauch Plan. The Reich Marshal has signed a new decree, according to which the Krauch Plan has priority over the other projects for the Wehrmacht. The Reich Marshal agreed with me that the products should only be put at the top of the groups concerned, but that no new special priority should be created.

* * * * * * *

[Signed] THOMAS

26 February

PARTIAL TRANSLATION OF DOCUMENT NI-7670
PROSECUTION EXHIBIT 1896

EXTRACTS FROM A SPEECH OF DEFENDANT TER MEER, BEFORE GAULEITER SPRENGER AND OTHERS IN FRANKFURT, 23 SEPTEMBER 1941, CONCERNING SYNTHETIC RUBBER, THE DEMANDS FOR RUBBER DURING THE WAR, AND RELATED MATTERS

German Rubber

A few months ago, General v. Hanneken gave a most interesting lecture to this circle, in which he particularly described the development of our self-sufficiency in producing vital war materials such as iron, light metals, gasoline, spun rayon, and buna. In this way he gave me my cue, so to speak, for my talk today, and I am very grateful to you, my Gauleiter, for giving me an opportunity to speak about German rubber.

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The war into which Germany had to enter in 1939 in order to safeguard her existence started a bit too early as far as supplying Germany's rubber requirements from home production was concerned; during the first 2 years of the war, bottlenecks in rubber supply occurred several times. Fortunately it was possible to eliminate them by seizing considerable stocks of natural rubber in the enemy countries and by import, via Japan and Russia. Production today nearly covers present requirements. In addition to this more buna factories are being built since we also have to supply the important nonmilitary requirements of countries with which we are friendly or which we have occupied, such as supplies for tires for important lines of communication and for tractors for agricultural production.

Gentlemen, if you consider that the important inventions which we are using today in our buna factories were discovered in the laboratory only in 1929 and 1930, that the technical planning of the large-scale machinery took years of hard work and that the construction of the large-scale factories, which started in the spring of 1936, was often disagreeably delayed in the following years because of lack of labor, building materials and iron, if you further take into consideration that when chemical technical problems are quickly translated from the experimental stage into large-scale manufacture, certain "teething troubles" are unavoidable, you will admit that it was no easy task for our best young chemists and engineers, most of whom came from the Ludwigshafen, Hoechst, and Leverkusen plants, to reach the target which had been set them. But this only describes part of the tasks pre-

sented by the synthetic production of rubber. The second and at least equally difficult job was the conversion of the German rubber goods factories from natural to synthetic rubber. The types of buna developed in our laboratories, which, as already mentioned, were superior to natural rubber in some respects, were at first quite different from natural rubber when they were processed. In order to explain this I must deal briefly with the most important method of processing rubber.

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In December 1934, the first fundamental discussion about carrying out rubber synthesis in factories took place, with State Secretary Keppler, the Plenipotentiary for Economic Questions, acting as chairman. This then led to the construction of an experimental factory, and following that, to the construction of our large-scale plants, in cooperation with the Office for German Raw Materials and Synthetics, the present Reich Office for Economic Development.

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Frankfurt/Main 23 Sept 1941

TRANSLATION OF DOCUMENT NI-820
PROSECUTION EXHIBIT 463

LETTER FROM HANS KEHRL TO DEFENDANT KRAUCH, 30 MARCH 1943, CONCERNING THE POSITION OF THE KRAUCH OFFICE AND THE PLENIPOTENTIARY GENERAL FOR SPECIAL QUESTIONS OF CHEMICAL PRODUCTION IN RELATION TO OTHER AGENCIES OF THE GOVERNMENT

THE REICH MINISTER OF ECONOMICS

II L 512/43 Berlin W 8, 30 March 1943
Behrenstr. 43

To Professor C. Krauch
Reich Office of Economic Development
Berlin W 9, Saarlandstr. 128

Dear Professor,

With reference to the repeated detailed conversations which the undersigned has had with you in order to define more clearly the work of the Reich Office for Economic Development (RWA), as well as your personal work as Plenipotentiary General for Special Questions of Chemical Production, as compared with the work of the Reich Ministry of Economics and its agencies, and particularly the Reich Plenipotentiaries, Economic Groups, and so forth, we agreed that the war situation made it absolutely neces-

sary to synchronize the work on both sides in such a way that any parallel or counter work should be excluded as far as possible and duplication avoided. Furthermore, it seemed necessary to give full consideration to such changes as were brought about by the new organization of government control, especially as far as the formulation of documentary material in the form of statistics, et cetera, is concerned. In order to clarify matters for the experts on both sides, and for all other agencies which have a part in this (Reich Office Chemistry, Economic Group Chemistry, Regional Economic Offices, and so forth), we agreed to set forth the tasks for both sides in a comprehensive report and to give an appropriate commentary and explanation, at the same time, of the previous decrees of the Reich Marshal (Decree of 5 December 1939,* concerning the reorganization of the Reich Office for Economic Development; decree of 22 August 1938, concerning the appointment of the Plenipotentiary General for Special Questions of Chemical Production; and decree of 16 December 1941, relating to the expansion of the field of work of the Plenipotentiary General for Special Questions of Chemical Production). I therefore confirm the following as result of our talks:

I. *Reich Office for Economic Development (RWA)*

1. *Research.* The RWA has the task of promoting research work and development in the field of the production of industrial raw materials and their processing by ordering appropriate measures and by supervision of the research work and supervision of the inventors and inventions.

All questions and all work of this kind which might affect the Reich Ministry of Economics and its sphere of management are to be forwarded to the RWA without delay. To that extent the RWA is also entrusted with liaison and collaboration with the Reich Research Council. The RWA is to inform the Ministry and the managerial chiefs concerned regularly on such developments as might bring about changes or additions in production or demand in the future, so that such technical developments can be taken into account in the planning.

For tasks of research and development, honorary collaborators of the Economic Group Chemistry and the Economic Group Fuel Industry should be given preference, and the work that is done should be synchronized with possible work of the Economic Group in this field.

2. *Preparation of New Plans.* As within the new organization of government control, the tasks of the Reich Offices, consisting of distributing raw materials, have been systematically extended

* Document NI-7132, Prosecution Exhibit 462, reproduced in full above in this section.

to include the entire planning of the directing agencies they have to supervise, these agencies now have the task of observing the requirements situation, of making the appropriate statistics and plans, reporting the demands for extension of production capacities, and so forth. In order to avoid all duplication, and particularly to avoid double investigations, I shall, as soon as you have confirmed this letter, give instructions to the directing agencies to place at your disposal all the papers necessary for a judgment of new plans, and to give the RWA all the information that might seem necessary in this regard. The RWA shall not make any inquiries itself. Should the information given by those agencies not be sufficient for a certain purpose, the Reich Minister of Economics shall decide on any extension and completion thereof.

3. *Planning.* On the strength of the requests for increase in production or extension of capacity reported by the agencies under its jurisdiction, the Reich Minister of Economics, after consultation with the Chief of the RWA and the agency in question, will establish the final planning for expansion in accordance with its scope. The RWA has to elaborate in detail proposals for the most practical carrying out of the expansion planning and submit them for final approval to the Reich Ministry of Economics.

4. *Execution of Expansion.* The start, care, and supervision of buildings approved on the strength of the planning is the task only of the RWA, which is also in charge of the assignment of raw materials for this. Negotiations for the financing of these plans are to be conducted in agreement with Department II of the Reich Ministry of Economics.

5. The RWA does not supervise such enterprises as are already working.

The Reich Minister for Armaments and Munitions is to be kept informed by the Reich Ministry of Economics on all such fields of the RWA as are of interest and concern to him, which also obtains his approval for such decisions as become necessary in the fields mentioned above.

II. *Plenipotentiary for Special Questions of Chemical Production*

In compliance with the directive of the Reich Marshal, the general competence of the Plenipotentiary General for Special Questions of Chemical Production (G.B. Chem) covers the fields of production of mineral oils, rubber, light metals, powder and explosives, chemical warfare agents, and nitrogen, as well as their preliminary products and auxiliary materials. As far as powder and explosives, and chemical warfare agents are concerned, the regulations mentioned below, however, do not apply for the duration of the war. In these fields, you will collaborate

with the Reich Minister for Armaments and Munitions, whose commission for powder and explosives conducts the research and development work. All other collaboration is regulated by the decree of the Plenipotentiary for Armament (GB Ruest), RLA/PSV I–40–1/43 of 24 January 1943. The tasks of the special plenipotentiaries (see IV) are to be taken care of by the chief of the Main Committee Powder and Explosives.

1. *Research.* The work and collaboration in this field are regulated in the same manner as described under I, 1.

2. *Preparation of New Planning.* Here the work is suitably regulated according to the provisions of I, 2. However, generally the G.B. Chem will take the initiative for starting new planning. In order to insure definitely that planning is not even preliminarily started unless all the main requisites, especially coal and power, but also the supply of other raw materials and products, are assured to the fullest extent, or can be assured, the G.B. Chem is to order the carrying out of expansion planning only after the Reich Minister of Economics has affirmed that the main requisites essential hereto are existing or obtainable.

3. *Planning.* The planning to be put forward by the G.B. Chem is only to be put in force when it is finally approved by the Reich Minister of Economics.

4. *Extensions.* The carrying out of extensions is to be in conformity with the specific instructions of the G.B. Chem.

5. *Supervision of Production and Enterprises.* In conformity with the decree of the Reich Marshal, the G.B. Chem is to promote and secure as far as possible, and on the strength of his authority and by means at his disposal, the production in the special chemical fields which are under his control. In the past he has established for this purpose a special supervision of enterprises. The supervision covers, above all, the securing of labor, coal, power, and other raw materials or auxiliary materials. In order to prevent the duplication of demands and to do away with overlapping in supervision, and all the difficulties resulting from it, the circle of enterprises which are so controlled by the G.B. Chem has to be defined very clearly. The supervision is to cover preliminary products or auxiliary materials only insofar as they are to be expanded or are of special importance for the main raw material involved. The names of the enterprises covered are contained in the enclosed list (Enclosure 1).* Possible changes of this list are only to be made on the strength of an agreement between the G.B. Chem and the Reich Minister of Economics.

In the field of mineral oil production, supervision is to take place in full agreement with those working associations that come

* The "enclosed list" was not appended to this document as offered in evidence.

under the Economic Group Fuel Industry, and which direct the production.

In the spheres in which, according to an arrangement with the Reich Minister of Economics, the Reich Minister for Armaments and Munitions has an interest, his participation or approval must be obtained through the Reich Minister of Economics.

III. *Control and Allocation of Raw Materials*

Both the G.B. Chem and the RWA, as well as their plenipotentiaries, are to leave the settlement of questions of control and especially questions of the allocation of raw materials (with the exception of buildings for their own purpose), and the distribution of production in general and in individual cases, exclusively to the competent directing agencies (Reich Offices and Reich Associations and their control offices), and to the respective LWA.*

For powder, explosives, and chemical warfare agents, the directives of the Reich Minister for Armaments and Munitions are to be complied with as far as the distribution is concerned.

These rulings on jurisdiction, of course, do not exclude a participation of the G.B. Chem in basic conversations about long-term distribution and planning, as have already frequently taken place in the past.

IV. *Experts* [*"Fachbeauftragte"*] *of the G.B. Chem*

In order to effectuate even more than hitherto the self-responsibility of the industry, and to support the work of experts in the head offices of the RWA and the G.B. Chem, the G.B. Chem is to appoint his own experts for central professional supervision for the fields of mineral oil, nitrogen, rubber, acetylene, and ethylene, as well as light metals. The G.B. Chem and the Reich Minister of Economics are to agree on the choice of persons, due care being taken that these experts are equal to those persons who are engaged in the organization of industrial economy. In the field of organic and inorganic chemistry (including deliveries of auxiliary materials to the above mentioned sections), as well as in the field of soap, detergents, and yeast, no experts shall be appointed by the G.B. Chem. In these fields the G.B. Chem will rather resort to the self-administration organizations of the economy, especially to the special division chiefs and the special departments chiefs, et cetera, as are to be appointed within the framework of the intensification of the work of the Economic Group Chemistry. The chief of the Economic Group Chemistry will concur with the G.B. Chem about the persons to be appointed. He is authorized to issue directives to the special division chiefs, special department

* LWA—Landeswirtschaftsamt—Regional Economic Office.

chiefs, etc., as far as tasks are concerned which are the G.B. Chem's responsibility according to II.

The letter of authority to the experts who are to be appointed will be issued in agreement with the Reich Minister of Economics and the Reich Minister for Armaments and Munitions.

V. *Collaboration with the Regional Economic Offices*

1. The experts, which up to now were formally attached to the Economic Directive Staffs, are now incorporated into the Regional Economic Offices (LWA).

2. Such tasks in the field of chemistry as were dealt with by the Economic Directive Staffs are thereby transferred to the LWA.

3. The experts of the G.B. Chem join the LWA in the capacity of Department Chiefs Chemistry. They are subordinate to the chiefs of LWA or their deputies. Basically, all other duties of supervision of production, which the LWA had in the field of chemistry, are to be transferred to them also.

4. The G.B. Chem issues directives to the LWA in all fields in which he is competent according to II.

The G.B. Chem has authority to issue direct orders to the Department Chiefs Chemistry as regards building and assembling within the chemical production plan. He has the same authority for all very urgent matters. In these matters the Department Chiefs Chemistry may also report directly to the G.B. Chem.

This does not affect in any way the duty to keep the LWA chiefs informed, and their right to obtain information on all developments, and to issue, if necessary, directives for local reasons.

Should the G.B. Chem deem additional support necessary in special individual cases, he is to avail himself of the suitable district heads of the Economic Groups Chemistry and Fuel Industry respectively for this purpose. Wherever possible, the chief of the Economic Group Chemistry shall take into account any wishes the G.B. Chem might have as regards personnel in the district agencies of the Economic Group, and, particularly, in cases where it seems appropriate, he shall appoint deputies to the district heads of the Economic Group in accordance with proposals of the G.B. Chem.

VI. *Mutual Information and Contacts*

The Reich Minister of Economics and the G.B. Chem shall make it obligatory for their experts in each case to inform each other regularly on all interesting questions and to build up a close and confident collaboration.

The G.B. Chem shall appoint Dr. Eisenhut as general liaison

man to Main Department II of the Reich Ministry of Economics. Apart from promoting the solution without friction of pending technical questions, the principal task of this liaison man is to make this mutual instruction particularly thorough and productive.

By Order:

[Signed] KEHRL

Distribution to: Berlin 30 March 1943

a. All Reich Offices, except I to VI

b. Chairmen of 1. Reich Association Coal
2. Reich Association Iron
3. Reich Association Bast Fibres
4. Reich Association Chemical Fibres
5. Combine Shoes

c. Reich Group Industry

The above copy is sent to you for your information and for that of your subordinate agencies as far as necessary.

By Order!

[Signed] KEHRL
Certified:
[Signed] LUETGEHAUS
Office Clerk

[Stamp]
Reich Ministry of Economics

Berlin, W 8, 3 April 1943
Behrenstr. 43

Reich Ministry of Economics
Re II L 512/43

Correction (Supplement)

The following final sentence is to be added on page 5 of the letter—II L 512/43—of 30 March 1943, addressed to Professor C. Krauch, Reich Office for Economic Development, Berlin, W 9:

"I have informed my collaborators of the agreement made and request you to give appropriate information to your collaborators and experts also."

[Stamp] Reich Ministry of Economics

PARTIAL TRANSLATION OF DOCUMENT NI-7562
PROSECUTION EXHIBIT 590

EXTRACTS FROM AN ARTICLE BY DR. NEUKIRCH OF THE KRAUCH OFFICE, 5 JUNE 1943, CONCERNING THE INCREASED PRODUCTION OF LIGHT METALS UNDER THE FOUR YEAR PLAN

THE PLENIPOTENTIARY FOR THE FOUR YEAR PLAN, THE PLENIPOTENTIARY GENERAL FOR SPECIAL QUESTIONS OF CHEMICAL PRODUCTION

Dr. Eberhard Neukirch [1]

The Development of the Increased Production of Light Metals in the Four Year Plan with Special Reference to the Time of Germany's War for Liberation from 1939 Onwards [2]

(Dedicated in grateful devotion to the Plenipotentiary General Professor C. Krauch, on the occasion of the award of the Ritterkreuz zum Kriegsverdienstkreuz) [3]

Berlin, 5 June 1943

Preface

As the "Military Economic Production Plan," drawn up by the Plenipotentiary General for Chemistry in the course of the Four Year Plan, is now approaching completion as far as the main features of the light metals sector are concerned, the desire for a compilation which sets out the various stages in chronological order and serves as a guide through the voluminous files, thus enabling an over-all survey to be made later on, appears to be justified.

When dealing with the expansion of an industry which has been in existence for some time, its historical development, especially during the last World War, is of particular significance.

In an introduction of any length, the history of its development should, in each instance, precede the individual metals if the history of its expansion is to be coherent.

* * * * * * *

4. *The Growth of the Magnesium Industry after the Assumption of Power* [*Machtuebernahme*] *until the Beginning of the Four Year Plan 1933–1935*

Despite successful efforts to establish magnesium as an industrial material, it was not possible to keep the Bitterfeld plant

[1] Dr. Neukirch was employed by Farben's Bitterfeld plant in the organic scientific laboratory before he was assigned to the Krauch Office in 1936 (Tr., p. 8366).

[2] Prosecution Exhibit 442, which appears above in the section on the Krauch Office.

[3] Knight's Cross of the War Service Cross (awarded to civilians).

working constantly at full production. The rearmament after the change of government, however, brought far-reaching changes. Growing Wehrmacht requirements, particularly for the vehicle and plane industry, considerably increased the use of magnesium in the fields which had been developed until then. There was a marked increase in demand owing to the production of the incendiary bomb, which had already been suggested in 1917 by Dr. Singer. The bomb had already reached the finished stage towards the end of the first World War and had been tested by a series of experiments; however, it was not used on a large scale in 1918 by the Army High Command. In 1936, it was possible to revert back to the stage reached in the development of the incendiary bomb. The first departure from the previous stage of development was the use of the incendiary charge [Heizsatz]. It was developed by Dynamit A.G. after the pattern of the filling of the Eschbach thermite detonator. It was a compound charge consisting of a mixture of permanganate-iron and aluminum powder-ferric oxide-perchlorate with black powder primer. However, when these chemicals came in contact with magnesium metal, corrosion very soon set in which greatly reduced the igniting quality of the primers. Furthermore, as a result of its oxygen content, the primer was vulnerable to small-arms fire and exploded easily when overheated. Corrosion, which set in even when the bombs were well-packed, prevented the storing of large amounts of finished incendiary bombs. This made it necessary to change the incendiary charge; however, it was not proposed to revert to the magnesium powder-ferric oxide-thermite charge as used previously. An aluminum-thermite charge was not found to have any particularly good incendiary qualities. An incendiary charge with an aluminum-magnesium alloy, completely proof against corrosion and small-arms fire, was developed. The built-in Sinoxide percussion cap with a sheet-metal plate and locking ring of hydronalium, and the use of a very fine-grained aluminum-thermite primer charge actually made it possible to store the incendiary bombs indefinitely and guaranteed their functioning even from great heights with a minimum of failures. The change-over and equipping of the filling shops, and in some cases the finishing plants, as well as the supervision of the filling chemicals was carried out by Dr. Neukirch.

As a result of these developments the demand for magnesium grew by leaps and bounds so that the Ministry of Aviation requested I.G. Bitterfeld to expand its plants. Work was begun in 1934 on the Aken plant on the Elbe for the production of 8,000 tons magnesium per year. After a building period of 8½ months it was possible to produce magnesium metal in this plant. Whereas

Bitterfeld was still mostly working on a magnesite basis, Aken produced magnesium on a basis of dolomite/final liquor [Endlauge]. To this end, a magnesia factory, utilizing Kruegershall final liquor and Rhenish dolomite, with production facilities for 24,000 tons per year was built, simultaneously with Aken, in the idle Teutschenthal plant of I.G. Bitterfeld. Following upon Aken, at the request of the Ministry of Aviation, the Stassfurt plant, with facilities to produce 4,200 tons per year, including 12,000 tons magnesia per year on a final liquor basis, was built by I.G. Bitterfeld for Preussag.* This factory served as a standby plant and was not operated until some time after its completion.

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5. *The growth of the Magnesium Industry under the Four Year Plan 1936–1939*

When the Four Year Plan was announced its object was to utilize fully all German raw materials. One of the raw materials, particularly in the very difficult field of non-ferrous metals, was magnesium; production facilities available for magnesium were not being used. The aim, therefore, was to use these facilities as soon as possible, that is, to create new fields of application for the production. The problem was rendered more difficult by the fact that after certain stocks of the special product for incendiary bombs had been built up, even existing and operating plants would be heading for a sales crisis, if magnesium metal could not be used on the broadest possible basis.

* * * * * * *

The many efforts which have been described proved successful. By 1938, in spite of the fact that the many large Wehrmacht orders were nearing completion, particularly for the incendiary bomb, production was not only kept up but, over and above that, the Stassfurt plant, until now idle, with production facilities for 4,200 tons per year, was put into operation at the end of 1938.

Included in the development of magnesium production for 1933 to 1935 was the planning of the expansion in case of mobilization. The plants built in Aken, Stassfurt, and Heringen were therefore planned in such a way that they could be expanded at any time.

* * * * * * *

The investigation in regard to the mobilization requirements, which was conducted at the beginning of 1938 simultaneously with that of the mobilization requirement for the raw material aluminum, at first showed a mobilization requirement of 26,000 tons per year. This requirement was in strict conformity with

* Preussische Bergwerks-und Huetten A.G.

the Four Year Plan. Through the planned exchange of 15,000 tons per year of aluminum for 10,000 tons per year of magnesium, this mobilization requirement increased to 36,000 tons per year. This requirement was met through the new military economic production plan dated 12 July 1938 according to the following diagram:

* * * * * * *

6. *The Growth of the Magnesium Industry since the outbreak of war on 1 September 1939*

Although Germany showed a much higher magnesium-producing potential and production when war broke out than the rest of the world put together, expansion of magnesium production was initiated in conformity with the Reich Marshal's request for additional light metal production in order to meet the requirement, particularly of the Air Force.

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6. INTERROGATION OF ALBERT SPEER CONCERNING THE KRAUCH OFFICE AND RELATED MATTERS

TRANSLATION OF DOCUMENT NI-5821
PROSECUTION EXHIBIT 482

INTERROGATION OF ALBERT SPEER BY DR. CHARMATZ [OF THE PROSECUTION] ON 12 MARCH 1947, FROM 10:00 TO 12:00 HOURS*

MR. CHARMATZ: Are you willing to testify under oath, Herr Speer?

ALBERT SPEER: Yes.

Q. I remind you therefore of the oath you have taken previously.

A. Yes.

Q. Herr Speer, on 29 May 1945, you were interrogated by an English-American team; in fact, it was the fourth session of a series of interrogations. Can you still remember it?

A. There were at the time so many discussions, that I could only recall the subject matter if you would give me some pointers.

Q. In this interrogation on 29 May 1945, which lasted from 15:00 to 17:30 hours, you were questioned in great detail about the Reich Office for Economic Development, about Professor

* This interrogation was conducted in the prison of the Palace of Justice in Nuernberg after Speer had been sentenced to 20 years imprisonment by the International Military Tribunal for committing war crimes and crimes against humanity (*Trial of the Major War Criminals*, vol. I, pp. 333 and 336).

Krauch, the Economic Group Chemistry, the Office for Raw Materials, about certain problems of production, the Planning Office, and other technical questions. With this information, can you now recall approximately the interrogation under discussion?

A. I do not remember the details any more, but I know that such an interrogation took place.

Q. You stated in that interrogation that the Reich Office for Economic Development was founded for the purpose of directing the expansion of the production potentials of chemicals, especially of "strategic products," of synthetic oils and rubber, nitrogen, and other products. The financing of these expansion projects was carried out by the government through the Reich Office for Economic Development which, as you have stated, was a "nationalized IG," and that this Reich Office for Economic Development was almost exclusively staffed with IG personnel. Could you confirm this statement, and could you now explain it once more?

A. As a matter of principle, I would like to remark concerning this statement that it was established at that time that it would not be used in the trial. I take it for granted that this evidence also is not to be used in court.

Q. No, I cannot promise you that this time.

A. The English and American officers were not yet acquainted with the whole subject matter, and they wanted, therefore, basic information, and got their first information at these discussions. As far as I remember, no verbatim record was kept, but a report was written subsequently from memory and was not submitted to me, and thus I think it best now to formulate my former testimony anew.

Q. Would you, therefore, once more formulate the questions which you discussed at that time, please?

A. It is not quite clear to me as to where the lines were drawn between the tasks of the "Reich Office for Economic Development" in the Reich Ministry of Economics and those of the "Plenipotentiary General for Special Questions of Chemical Production" in the Four Year Plan. In my opinion, they both carried out the same tasks, namely the expansion of the production of all chemical raw materials which are essential for waging war. From a legal point of view, I do not know whether the Reich Office for Economic Development financed these projects. However, I had that impression during my term of office as Minister.

A large number of the employees working for the Plenipotentiary General for Special Questions of Chemical Production and the Reich Office for Economic Development with whom my people were in constant contact, were, as far as I know, employees who were supplied by I.G. Farben. I don't know whether or not they

left the employment of I.G. Farben. Similarly, I cannot clearly distinguish between the employees of the Plenipotentiary General for Chemistry and those of the Reich Office for Economic Development, since in conferences an accurate differentiation was neither possible nor necessary. Therefore, I cannot say for sure whether all the personnel of the Reich Office for Economic Development came from I.G. Farben.

Q. Surely you mean "exclusively."

A. Consisted exclusively. Or whether, in this case, a large percentage of the employees of the Ministry of Economics occupied leading positions.

Q. Could you now tell me in what sense and for what purpose you used the expression that this Reich Office for Economic Development was "a nationalized I.G. Farben"?

A. Since I.G. Farben had a monopoly for the expansion of the production of these raw materials, and the Office for Economic Development had the same task, I chose the expression that the Office for Economic Development was a sort of "nationalized IG," in comparison with the "Self-responsibility of Industry" which was led by me. However, I am not quite clear as to what extent the principles of the Office for Economic Development coincided with those of the "Self-responsibility of Industry."

Q. In addition, you then stated at the same interrogation that Krauch was appointed Plenipotentiary General for Special Questions of Chemical Production in the Four Year Plan at about the same time, and with almost the same functions, as those of the Reich Office for Economic Development, and that it was planned to invest Krauch with the additional powers incumbent on a Plenipotentiary of the Four Year Plan. Taken as a whole, this office, namely, that of the Plenipotentiary, was identical with the Reich Office for Economic Development. You added that you could not describe exactly how these powers and functions were officially allocated. Since we discussed these matters pretty thoroughly in our interrogations in September, and you have seen most of the documents, I presume that you can now tell me more in detail about these things and make additions to what I told you just now.

A. During the interrogations in September 1946, I also received no accurate information as to the definite spheres of functions of the Reich Office for Economic Development and the Plenipotentiary General for Special Questions of Chemical Production. I did not see any documents at that time. What I stated in the interrogation of 29 May 1945 was the general impression which I had gained as Minister for Armaments and War Production, without having any knowledge of the legal aspects.

Q. Do you wish to say that you got these impressions without knowing the legal aspects?

A. Without being quite clear as to the details of the legal aspects of competency.

Q. What was the relation between you, first as Minister of Armaments and Munitions, and later as Minister for Armaments and War Production, and Krauch, in his capacity as Director of the Reich Office for Economic Development and also as Plenipotentiary General for Special Questions of Chemical Production? Perhaps you will be able to recall that you once used the expression that Krauch was, so to say, "reichsunmittelbar" (immediately subordinate to the authority of the Reich), and that he also remained thus after September/October 1943?

A. It was obvious that before September 1943, as Reich Minister for Armaments and Munitions, I had in both places no power of command.

Q. As far as you know, who could give orders at that time to the Reich Office for Economic Development or to the Plenipotentiary General for Special Questions of Chemical Production?

A. At that time, Goering attached great importance to the fact that he was the only one who had the right to give orders to Krauch. In this connection, however, the following should be considered:

As is well known, in the spring of 1942, the Armaments Office of the High Command of the Armed Forces was incorporated into my Ministry. General Becht was in charge of a department in the Armaments Office which, among other matters, planned the production of chemicals and distributed the chemical products necessary for waging war to the various components of the Armed Forces. In the quarterly meetings of the Central Planning Board, at which the distribution of steel was decided on, General Becht presented the steel requirements of the chemical industry for the expansion under the Office of the Plenipotentiary for Chemistry. If Professor Krauch was not satisfied with the decision of the Central Planning Board, he requested a special meeting of the Board, in order to discuss the requirements for his expansion plan. If the Central Planning Board insisted on curtailing the planned projects, then a final meeting with Goering was called, which, however, happened only once or twice.

The whole responsibility for the stipulations of the expansion plan, which thus was fixed as to quantity, rested exclusively with the Plenipotentiary for Chemistry who, as far as its execution was concerned, was not to receive orders from a third party, except from Goering. The carrying out of the so-called "P.S.V.

Plan" (plan for the supply of powder and explosives) provided, under certain circumstances, the only exception.

After my Ministry took over the total production in September 1943, conditions were not clear, because Goering, as Plenipotentiary of the Four Year Plan, took the viewpoint that only the tasks of the Reich Ministry of Economics were transferred to me; but not the superior power asserted in relation to the Reich Ministry of Economics, not the tasks of the Plenipotentiary for the Four Year Plan, and in particular, the Plenipotentiary for Chemistry. Goering was right as far as formality is concerned, because Hitler expressly specified this in his well-known decree of September 1943.

In spite of this attitude shown by Goering, Krauch was fully willing to cooperate closely with the Raw Materials Department of my Ministry. Whether for the purpose of this close cooperation with the Raw Materials Department, Krauch gave Kehrl the authority to issue directions, I don't know.

It appears to me that the cooperation between Krauch and Kehrl,* or between the manager of the Department Chemistry in the Raw Materials Office, Kolb, and Krauch, respectively, was carried on so smoothly that there was no need for a clarification as to the legal aspects.

Likewise, since September 1943, the Raw Materials Office determined the production of the various chemical products. This was done by allocating the intermediate chemical products manufactured by I.G. Farben as a monopoly, to the various chemical products; and where chemical firms outside the I.G. Farben were concerned, to these individual firms.

At that time, I proposed to Krauch that he should take charge of these tasks of distribution and thereby, practically, to take over the Department Chemistry in the Office for Raw Materials. However, at that time, Krauch declined to take over that task.

A new problem regarding competency arose when the reconstruction of chemical works destroyed by aerial attacks was transferred to the Commissioner General for Immediate Measures (Generalkommissar fuer Sofortmassnahmen) in June 1944, because he not only carried out the reconstruction, but, in addition, wanted to issue orders concerning technical problems. The problem was discussed between Krauch and Geilenberg, the Commissioner General for Immediate Measures, in the presence of Kehrl and myself, in a meeting at which I decided that the Commissioner General for Immediate Measures was to be responsible for the reconstruction, but that Krauch was to remain the competent

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* See Document NI-820, Prosecution Exhibit 463, a letter from Kehrl to Krauch concerning fields of responsibility, reproduced in 5 above.

authority for technical matters of the plants. The same applied to the building of subterranean fuel works, and the so-called "little plants."

Krauch, as Plenipotentiary for Chemistry, had at that time a part in repairing the factories, insofar as, in view of the great damage done to the old factories, he ordered the construction of new factories stopped, and the materials and labor on hand for this purpose were made available for reconstruction. Goering still insisted in June 1944 that Krauch was directly responsible to him only. I can give an example to illustrate this.

Q. And that he was not subordinate to anybody else?

A. Was only subordinate to him. I can give an example to illustrate this: When, beginning on 12 May 1944, air attacks on fuel plants interfered seriously with production, I suggested and arranged a meeting with Hitler, at which, besides Goering, Krauch also took part. Goering was very angry at the time because Krauch, without obtaining his permission, went to a conference with Hitler. This, however, proved no barrier to very close cooperation which existed between my Ministry, the Commissioner General for Immediate Measures, and Krauch, in the practical rebuilding of the chemical factories which were damaged by air attacks. After this visit, Hitler, upon my suggestion, appointed the Commissioner General for Immediate Measures.

Q. Could you now briefly describe the responsibilities of Krauch as Plenipotentiary General for Special Questions of Chemical Production in the Four Year Plan, just as they appeared in practice?

A. The Plenipotentiary General for Special Questions of Chemical Production was chiefly occupied with the planning and construction of new plants. I have no doubt that this was his primary task. To what extent beyond this the Plenipotentiary considered himself competent for the entire chemical production is not quite clear to me. I had the impression that the Plenipotentiary considered it his duty to intervene in any branch of chemical production whenever it became endangered, as for instance, when German expert chemical workers were drafted into the armed forces. In such cases the Plenipotentiary represented not only the building interests, but also those of the whole chemical industry.

Q. I asked the question as to how you interpret the term used by you, namely that Krauch was "reichsunmittelbar" (directly subordinate to the authority of the Reich)?

A. Krauch was formally subordinate to Goering as the Plenipotentiary of the Four Year Plan. However, since Goering from 1942 on, or perhaps earlier already, no longer devoted himself so energetically to the Four Year Plan, the plenipotentiaries of the

Four Year Plan were left without a unifying head; by losing Goering, they had in fact no longer a chief to whom they were responsible, nor could other Reich offices give them orders instead.

Q. In another interrogation, which took place on the morning of 30 May 1945, you mentioned that you had founded, unofficially in 1942, an "Advisory Council for Economic Warfare," for which you selected industrialists like Voegler, Krauch, and Roechling, as well as some power experts. Please describe to me how you set up this advisory council, who were its members, and what functions this Advisory Council for Economic Warfare had?

A. It seems to me that in the minutes here, the meaning of the statements I made at that time is not clearly given. It was not an advisory council for economic warfare that was in question. I intended to create an advisory body which was to assist the General Staff of the Air Force in selecting strategically and economically important bombing targets. As the minutes correctly state, I had chosen these men mentioned above for this particular purpose. It was not necessary to call a meeting of this advisory body, because after a short time it became apparent that the Air Force no longer was in a position to carry out large-scale air raids on economic targets. Consequently, the plan to set up this advisory board was not carried out. It was replaced by a special plan, which was subsequently carried out by the Planning Adviser of the Inspector General for Water and Electric Power, Dr. Karl, whom I placed directly under me for this purpose.

Q. This council, therefore, never did meet? And merely its founding was discussed by you and the members?

A. The council never met, and it was never officially founded. According to my recollection, I did not personally discuss the subject with the individual members intended for the council.

Q. Before September to October 1943, as Minister for Armaments, you had, with the exception of pure explosives and chemical warfare agents, nothing to do with chemical production. Is that correct?

A. Not quite. The Armaments Office, under the direction of General Becht, continuously worked on questions of chemical production. General Thomas had created a section in the Armaments Office which was to assume supervision at the outbreak of war of the tasks which had been prepared already before the beginning of the war by the plenipotentiaries of the Four Year Plan. I learned later that at the beginning of the war there were arguments about this between Keitel and Goering, and that Goering, with the approval of Hitler, unequivocally fixed the unlimited authority of the Four Year Plan, also with relation to the Armaments Office. General Becht, therefore, took no leading part in

questions of chemical production. Whether he secured a responsible position for himself by agreement with the Plenipotentiary for Chemistry, I don't know. With the taking over of the Armaments Office, however, the so-called "supervision" ("Betreuung") of the most important chemical works was transferred to my Ministry.

Q. What did this "supervision" by the Armaments Office consist of?

A. I cannot give any details of it for the chemical field, because I don't know which part of the usual, and to you familiar, tasks of supervision was actually carried out by the Armaments Office in connection with chemistry.

Affidavit

I, Albert Speer, declare herewith that, after having been properly sworn, I have made these statements according to my best knowledge and belief. As token of the accuracy of the minutes transcribed by the reporter, I have specially signed each individual page.

Sworn by me
Nuernberg, 28 March 1947
[Signed] J. P. CHARMATZ
O.U.S.C.C.

[Signed] ALBERT SPEER

7. TESTIMONY OF DEFENDANTS KRAUCH AND AMBROS

a. Testimony of Defendant Krauch

EXTRACTS FROM THE TESTIMONY OF DEFENDANT KRAUCH*

DIRECT EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): Dr. Krauch, before the recess we had finished the topic on which I was questioning you, so that I can start with a new point without making a summary. We have now arrived at the year 1936, when the government approached you for the first time asking you whether you would be prepared to accept a position in the building up of the state economic organization. Would you please describe briefly how it came about and, with a few words, will you please explain your motives?

DEFENDANT KRAUCH: It was April 1936 when I was approached by a man who, up to that time, had been unknown to me—whose

* Further extracts are reproduced above in subsections C 5*a* and F 3, and below in subsections G *a*, H 4*a*, I 7*a*, L 3*a*, and N 5*b* and in section IX F 1, volume VIII, this series.

name I had only known through social contacts—Colonel Loeb, who asked me to meet him during my first visit in Berlin as he wished to discuss a question of interest to me.

Q. What was the name of that man again?

A. It was a Colonel Loeb, whose functions I did not know up to that time. I met him in Berlin and he acquainted me with a plan which he had previously discussed with Goering.

Q. In order to make this matter as easily understood as possible, will you please explain what had happened between Goering, Darré, and Schacht during the time from 1935 to 1936? In that connection, in order that the Tribunal may understand the context, will you also explain who Darré was, et cetera?

A. Darré was, at that time, the Reich Food Minister. Schacht was Minister of Economics and president of the Reichsbank, and Goering was the second man after Hitler. Controversies had arisen between the Reich Food Minister and Schacht with regard to the distribution of foreign exchange.* As a consequence of the bad harvest of the preceding years, a food shortage had come about in Germany. According to the opinion of the Reich Ministry of Food, it was of urgent necessity that more food should be imported into the country. Schacht refused to put foreign exchange at his disposal for that purpose, for the simple reason that he had no more foreign exchange available. In view of the emergency situation thus existing, Hitler had ordered Goering to mediate between these two agencies.

Q. How did Goering decide this matter?

A. Goering decided in favor of Darré. Very soon Goering, of course, noticed that the foreign exchange which was made available to import food was not sufficient for that purpose. There were two means to overcome this difficulty. One of them was to increase the production of food in Germany; the other was to increase exports which, of course, led to a third way—that was that imports, which up to that time had been necessary for certain raw materials in Germany, of an industrial nature, were to be stopped, and these products which had hitherto been imported, were to be produced in Germany itself from its own raw materials.

Q. Well, why did they approach you?

A. Goering founded a so-called Raw Materials and Foreign Exchange Staff, which, as the name already shows, dealt with foreign exchange and endeavored to procure foreign exchange abroad which was perhaps available abroad for industry, and to

* See also Document 2353-PS, Prosecution Exhibit 443, extracts from the manuscript of General Thomas, reproduced in part above in subsection F 2.

produce, out of indigenous raw materials, products which up to that time had been imported.

Q. Who mentioned your name? Who established the contact?

A. I only heard of that later. Funk, Schacht's successor as Minister of Economics, told me about that in 1942. He said that Voegler, who had connections with Goering, had mentioned my name to him as that of an expert in the field of chemical synthesis and similar products.

Q. Tell me about your discussions with Loeb?

A. Loeb explained to me this plan of Goering's which was that processes were to be developed which would create the possibility of producing products in the country, which, up to that time, had to be imported and paid for with foreign exchange. He presented a plan to me where there was a special department mentioned for research and development, with the organization of which I was to be entrusted.

Q. Did you agree to that proposal immediately?

A. No. I told him that I would first have to get the approval of the IG.

Q. Who in IG could decide upon those questions? Whom did you ask?

A. At first, I spoke to Geheimrat Schmitz, whom I told that I should like to leave the decision, whether or not I should participate in this organization, to Professor Bosch. I wanted to report to him about my conversations with Loeb.

Q. What was Bosch's position in the IG at the time?

A. Bosch was the chairman of the Aufsichtsrat.*

Q. Would you please tell us, with a few words, what Geheimrat Bosch's relation was to the National Socialist regime?

A. Bosch was a recognized scientist—a great scientist. He was a bearer of the Nobel Prize, and he was perhaps the most predominant economic leader ever existing in the field of chemistry. He was a man of tremendous reputation and he was revered by his associates. He was a man with outstanding character, and all his associates followed him with enthusiasm. Bosch, as I mentioned earlier this morning, was an associate of Bruening on a friendly basis. He supported in every way Bruening's government policies and, as a result, he had come into a very natural opposition to national socialism at a very early date. Bruening, of course, opposed national socialism. The gulf between Bosch and national socialism was never bridged in the future.

Q. Would you give us, briefly, reasons why Bosch opposed national socialism?

A. Bosch was an absolute disciple of self-initiative of economy

* From 1935—1940.

and of science. Bosch feared, with justification, that from the side of national socialism there would be considerable infringements in that respect. Under all circumstances, he favored the maintenance of the independence of economy and science.

Q. Thank you very much. That will suffice with respect to this subject. What was Bosch's attitude with respect to your entry into the Raw Materials and Foreign Exchange Staff?

A. Bosch advised me to join it, and he gave me two reasons. The first reason was the following: Hitler's government here had an opportunity to bring about more work through other channels than through channels of armament. From the earliest date, we in I.G. Farben had been prepared to support all measures of the former government—the Bruening government, which would go towards a furthering of peacetime production and not a furthering of armament production.

The second reason was that it was to be feared that, as a result of measures adopted by the National Socialist government, the self-economy [sic] of industry would suffer, since the government endeavored to try to get the leadership of industry into its own hands to a greater and greater extent, and tried to steer it according to its own interests. There may even have been a third point which was considered in that connection. The Party program had been announced at that time which aimed at nationalization of the large concerns. From commentaries, which were given to propaganda leaders of the National Socialist Party, it had become known that, primarily, the nationalization and dissolution of I.G. Farben was being considered. Bosch was greatly interested in seeing that no inexperienced men from the Party were put into positions of economic importance, but men who knew something about the economy and its endeavors.

Q. Did you have any practical examples to the effect that the National Socialist government was trying to interfere with economy, with its measures?

A. I may recall the example mentioned this morning of Brabag. There, Schacht asked me to enter into the Vorstand of Brabag in order to resist such endeavors of the government.

Q. Did Bosch want to do a special favor to the Party by having you represented there?

A. Certainly not. On the contrary.

Q. Did Bosch want to further armament and rearmament by your presence?

A. Certainly not. He had told me that we were to support every way which was not the way of armament.

Q. In this connection, you once drew my attention to the fact that, especially at that time, the production of chemical warfare

agents was discussed by Bosch. Would you define your attitude towards this question?

A. In some plants of the IG, new gases had been discovered which later gained considerable importance as chemical warfare agents. Bosch, at the time, refused strictly, not only to me but also to other gentlemen of the IG, to support military circles in any way in the development of such production. He stated at the time: "We are an enterprise which is to serve the welfare of humanity and not the extermination of humanity. We want to produce pharmaceutical remedies, but not products which are to harm and destroy humanity."

Q. In this connection, I should like to put a letter to you, dated 26 August 1938. Document NI–7428, Prosecution Exhibit 217,* document book 8, English page 67, German page 67, too. You wrote this letter in your capacity as Gebechem to I.G. Farben, Ludwigshafen. Mention is made of an ethylene experimental plant at Sodingen and Direct process-mustard gas, thus—experiments with chemical warfare agents. The prosecution could exploit this letter to refute your assumption that up to the great war, the IG had not produced any war gases, and that it was rather a matter of furthering chemical warfare production. Do you have that letter before you?

A. Yes, I have.

Q. Would you please explain it?

A. It becomes apparent from the contents of this document that we are here concerned with an ethylene experimental plant. Ethylene had become an important raw product which was important for the production of synthetics, lubricating oils, and so forth. Ethylene had been produced from methylated spirits, an article which was no longer available in the required quantities, and new ways of production were looked for. In this experimental plant, ethylene was to be gained from the gas by liquidation, and it was to serve as a raw product for various preparations to be produced.

Q. Would you tell us whether this plant was ever put into operation?

A. The plant was never put into operation.

Q. Did the IG later start producing war gases?

A. After the outbreak of the war, the IG received orders from the Army Ordnance Office and the OKH to produce war gases.

Q. Your Honor, I am not going to enlarge upon the question of war gases, since the defendant Dr. Ambros will deal with that question as an authority. This short statement of Dr. Krauch at this point will suffice in that connection.

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* Reproduced in full in 5 above.

Dr. Krauch you were describing Bosch's motives, on the basis of which he advised you to enter the Raw Material and Foreign Exchange Staff. My question is: Did Bosch mention these considerations of his to other persons too?

A. No doubt he also talked to others of the I.G. Farben industry.

Q. Did you agree with Bosch's attitude?

A. I was convinced of the validity of his arguments. I went to Berlin in order to tell Loeb that I was in agreement.

Q. On the occasion of one of our discussions with respect to this subject, you once intimated that, with respect to your motives, foreign examples of a similar nature had been of decisive importance. Can you tell us something about that quite briefly?

A. In that connection, I should like to remind you of the memorandum which I mentioned this morning with reference to mobilization measures in the United States of America. In the case of these measures, peacetime planning is mentioned. In other countries, too, like England, it was customary to approach men from industry to give counsel on those questions. I remind you of a speech made by McGowan before the general assembly of I.C.I. [Imperial Chemical Industries]—a speech which was published in the year of 1944.

Q. Who was McGowan?

A. McGowan was the president of the Imperial Chemical Industries—the man in the United Kingdom on the same level as Bosch.

Q. You just said that he held a speech in the year 1944, but to what period of time did he refer in his statements?

A. The measures which he announced to the assembly, at the time, referred to measures of the I.C.I. taken already in the year 1935.

Q. Could you perhaps name a few American people whom you could use as an example in that connection?

A. Let me remind you of the name of General Johnson and the name of Bernard Baruch. That must be the same Baruch who is now working on the international control of the atom bomb and has made proposals in that connection.

Q. Now, I should like to discuss the taking over of your functions in this Raw Material and Foreign Exchange Staff. What position were you offered?

A. I received the task to take over, to organize, the Department of Research and Development, and Department 3 of the Raw Material and Foreign Exchange Staff. When taking over these duties I asked how long I should be wanted. Loeb replied that it would take from 6 to 8 weeks. I had thought that after that period of time had elapsed I would be in a position to return

to I.G. Farben, and that the department, as such, could then be led by another person.

Q. The Raw Material and Foreign Exchange Staff did not exist for very long, and I do not want to go into it at great length for this reason. I should now like to go on to the next large-scale economic organization of the state, in which you became active. My question is, how long did the Raw Materials and Foreign Exchange Staff exist?

A. The Raw Materials and Foreign Exchange Staff existed until October 1936.

Q. And how did the development of state economy continue from that period?

A. Around that period the so-called Four Year Plan had been brought into being by Hitler, with the execution of which Goering had been entrusted.*

Q. Would you, with your own words, describe to the Tribunal, very briefly, the meaning and purpose of the Four Year Plan?

A. The meaning and purpose of the Four Year Plan consisted of very similar tasks as those of the Raw Materials and Foreign Exchange Staff, but practically, it comprised all spheres of the economy. It was its endeavor to become independent of as many products from abroad as possible in order to save foreign exchange and to provide possibilities of employment.

Q. Now, a short survey over the organization of the Four Year Plan, if you please. How many departments were there?

A. At the beginning there were approximately twenty departments; at the end, approximately forty-three.

Q. What do you mean by towards the end?

A. Shortly before the outbreak of the war and throughout the war itself.

Q. Would you please name some of the more important departments?

A. The most important department was the Department for Food, which was subordinated to the head of the Reich Food Office, who then was State Secretary Backe.

Q. Why particularly food?

A. Because in this instance it was particularly important to increase production in order to avoid imports.

Q. Will you just give us a few instances of other groups and departments within that organization?

A. Another important office was Forestry, which was under State Secretary Alpers. Another department was Transportation—expansion of transport, railroads, and trade routes—which was under State Secretary Kleinmann.

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* For evidence concerning the Four Year Plan see subsection F above.

Q. And there were a number of plenipotentiaries general, were there not?

A. Yes.

Q. Could you name some?

A. Yes. There was a plenipotentiary general for the control of iron; for the expansion of traffic routes; for the development of motor transport. There was a plenipotentiary general for building control; there was one for coal, and so forth.

Q. Who was the top man of the Four Year Plan?

A. The top man was Goering.

Q. Who issued the directives to subordinated departments?

A. He himself issued directives through the Prussian Ministry of State, of which he was in charge.

Q. What position were you offered within the framework of the Four Year Plan?

A. I had in the Office for German Raw Materials and Synthetics the same functions as I had in the former Raw Materials and Foreign Exchange Staff, the same position as departmental leader for research and development. In other words, I was entrusted with practically the same functions as I had in the previous organization.

Q. To whom was this Office for German Raw Materials and Synthetics subordinated?

A. The Office for German Raw Materials and Synthetics was subordinated to the previously mentioned Colonel Loeb.

Q. But that meant a change of your position, did it not? Didn't you discuss this change with Bosch too?

A. Naturally I reported this change to Bosch.

Q. And what was his opinion?

A. He advised me to continue staying in the office and to carry out its transfer.

Q. Now, would you briefly describe the task of the Office for German Raw Materials and Synthetics in order to show the Tribunal what exactly was being done there?

A. We first set up a so-called trade budget. That is to say, we tried to fix the value of the products which up to that time had used up most of the foreign exchange for their import. The second task was to search for processes which were mature enough so that development could be recommended and furthered for the purposes of large-scale production.

Q. In order to enable the Tribunal to obtain an idea of the size of these savings of import, we have compiled a few figures. You have them there. Could you perhaps mention some, so that they may be practically expressed in this courtroom?

A. Our task was this—in the case of an import of four to five

billions which was considered necessary for the maintenance of the economy, we had to try to decrease this amount to two or two and a half billions. That was to be done through the production of our own products. We were able to determine, on the basis of our studies, that this was possible with an investment of nine to ten billions to serve the development of our own industry which certain economic requirements made necessary.

Q. Do you perhaps remember by heart any figures with respect to foreign exchange savings referring to specific spheres—for instance, textiles?

A. Textiles used up an especially large amount of foreign exchange, and here, by creating products for which cotton and wool had been imported, a possible saving of about 400 millions a year was aimed at.

Q. How about the foreign exchange savings in the case of the import of mineral oils?

A. In the case of mineral oils, we wanted to reach figures ranging from 250 to 300 millions.

Q. In order to name one more figure in conclusion, do you remember any figures for the foreign exchange savings with respect to food?

A. With respect to food the figures were considerably higher. There sums ranging over one billion come into question, if you consider albumen and carbohydrates, fats, and so forth. These figures could be saved by making available larger quantities of fertilizers, and so forth, and through settlement of better prices within the country.

Q. Your Honor, I have only mentioned these figures to serve as examples. Further details will be brought to your attention in the form of an affidavit by Dr. Krauch within the framework of my submission of documentary evidence.

Dr. Krauch, then you got down to practical work after you set up the budget, as you said before. How about the practical work? How did that go on?

A. On the basis of our experience we knew what the state of the laboratory work was and how far scientific experiments had developed. Some processes were already far enough advanced to go into large-scale technical production. Other processes, on the other hand, had to be developed some more. We found out where scientific research was still necessary, in order to deal with the problem. We turned to universities and technical colleges. We put certain tasks to them in connection with these problems and asked them to support our own studies. After these measures had been got under way, we established contact with the economic enterprises which came into the question and entrusted them with

the task, and asked them whether they were prepared to enter into such undertakings.

Q. Now, will you go over briefly to the practical exploitation of the new products—to the matters of trade?

A. Naturally, it was not only important to interest the potential producer in the extension of these new products, but the consumer and the person working with those products had to be induced to take an interest in them, some of which were of a different type from those with which he had been working before. For this purpose we formed working committees. As an example, let me mention the Rubber Works Combine of which all rubber processing firms were members. They had to work on the new product "buna," and had to express themselves about its qualities, and, on their side, state their wishes concerning the product itself and draw our attention to difficulties which showed up during the processing. This, in turn, was passed on to the producer, who, as a result, in accordance with difficulties which had arisen, would possibly alter the process.

Q. In the field of textiles quite new types of products came about. Were they welcome, and were they being sold?

A. Yes, the industries which now developed great initiative in economic revival, partly caused by the appeal directed by the government to industry, were absolutely prepared to start with the production of these new products. We had far more interested parties than producers, who had much to sell.

Q. Did the government intervene in these matters by supporting measures—by making certain promises to the manufacturers who were making these new products?

A. Of course, the government certainly was interested, particularly from the point of view of procurement of employment, in supporting such measures and making the way easier for these new products.

Q. Were such supporting measures, such as price guarantees and sales guarantees, also granted for definite peacetime products?

A. In the same way as in the case of mineral oils, which I mentioned before. There were sales guarantees, price guarantees, help with respect to financing, help with respect to development by placing material at the disposal of interested firms, and so on.

Q. With respect to such supporting measures, price guarantees, etcetera, were you in a position to decide independently?

A. No, that was not my task. I only had to point out the new processes and render my judgment as to whether the proposed processes were mature enough for purposes of expansion.

Q. In connection with your activity in the Office of German Raw Materials and Synthetics, you were speaking about the supervision

and advising of inventors. Would you please describe briefly what this was all about?

A. Goering, at the time, in his speech in the Sportspalast, which had excited much interest in Germany, had made an appeal to German inventors and to the German inventive spirit, to support the government by submitting inventions with which all these scarcities could be overcome. It was this appeal, particularly, which had a tremendous success (which was perhaps not even intended by Goering), as a result of which every person felt himself moved to submit invention proposals to Goering. Goering, of course, himself could do nothing with such submissions and sent them all to the Office for German Raw Materials and Synthetics to be worked upon, and naturally they were passed to my department for judgment.

Q. You were just saying that he sent all proposals. Was any exception made in the case of military technical proposals?

A. Naturally, proposals in the fields of military technique, new types of airplanes, new ideas with respect to armament, were directed to the newly-created Army Ordnance Offices, which existed since the year of 1935, and which had large staffs of workers who worked on such [proposals] there, independently on them. We, of course, received no knowledge of such submissions.

Q. From the point of view of the extent, you mentioned a few figures to me as to how many submissions arrived at your office daily.

A. Throughout these years we had every day an average of from forty to fifty of such submissions which we had to look through and pass on.

Q. Within the framework of the indictment and the accusations against you, the question is of paramount importance as to what extent the Four Year Plan was used for purposes of armament or for purposes of aggressive intentions. In that connection, quite roughly speaking, the question is of interest what the relationship was between armament interests and civilian interests, within the framework of the Four Year Plan.

A. I don't think that you posed the question quite correctly. The products which we were producing were all used in peacetime. Partly one could perhaps designate them with an expression which was in usage in the United States: commercial armament products. In the memorandum "Economic Mobilization of the United States of America," of which we gained knowledge between the years of 1936 and 1937, figures are mentioned of goods which are necessary in the case of war in order to put more war measures into effect.

Major Hesse, at that time, asked me how high this figure was,

or what I believed this figure to be. I replied at that time that I assumed there were a few thousand products. From this memorandum, he was in a position to give me the actual figure which had been arrived at in America from the experiences of the First World War. Over 700,000 different products were mentioned, of which more than half were so-called armament products of commercial use, to which belonged rubber, textiles, leather, and other products. In other words, products which we produced within the Four Year Plan have to be counted within the latter category.

Q. Did I understand you correctly to say that a limitation between armament needs and peacetime needs within the Four Year Plan was not drawn at all because, as you stated, any products which were discussed in the Four Year Plan were equally necessary both for peace and war?

A. That is exactly what I meant.

Q. Now, one last question to conclude the subject of the Four Year Plan. Were foreign projects also discussed in the Four Year Plan? In other words, possibilities of German participation abroad?

A. Yes, a number of such projects were discussed, particularly, in spheres where it seemed impossible to bridge over the gulf through German production.

Q. Would you shortly define your attitude as to how such foreign projects can be made compatible with the aggressive intentions alleged by the prosecution?

A. Such projects naturally could only be put into effect if peace was guaranteed for any length of time. I should only like to remind you of a few products which will illustrate the significance of what I mean. Particularly as a result of the production of textiles from wood substances, a large demand for wood arose. Expeditions were sent to Canada under the charge of experienced foresters, and also to Central Africa, in order to search for suitable timber which, after processing at the spot, could be sent to Germany in order to be made available for the textile industry in sufficient amounts. Another important sector was the fats and foods sector, which could never be covered from German sources. In that case, negotiations were carried on in China and Manchuria, which were started by the well-known industrialist Otto Wolff at the time, the aim of which was to increase the cultivation and the imports of soya beans from China and Manchuria.

DR. BOETTCHER: I think that these examples will suffice. Your Honor, this question, too, with respect to the foreign projects within the framework of the Four Year Plan, has been included

in an affidavit of Dr. Krauch,* so that it can be used in supplementation of his testimony here.

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Q. Dr. Krauch, I now go over to another large chapter concerning the question of how your appointment as Gebechem came about —Gebechem, Your Honors, is an abbreviation for Plenipotentiary General for Special Questions of Chemical Production—describe that, will you please?

A. Already at the end of 1937, State Secretary Koerner pointed out to me that the expansion deadlines fixed by Colonel Loeb, and submitted to Goering, could hardly be made compatible with the aims to be attained. The expansion deadlines set by Loeb were not under my control. These were data which were given by the so-called Executive Department to Loeb. During the middle of 1938, I saw a complete copy of the report (which at one time Schacht called the "Bible" for fun), reports which were sent regularly to Goering by the Office of German Raw Materials and Synthetics. From the accompanying letter which Loeb directed to Goering, I could see that expansion deadlines were mentioned in the case of fields in which I was versed as a result of my activity in chemistry, and which could not be made compatible with the dates as I knew them.

Q. Dr. Krauch, would you please express these matters a little more simply? You meant expansion deadline figures, did you not?

A. Yes.

Q. In other words, you saw wrong figures in the copy?

A. Yes.

Q. Well, continue.

A. With regard to the expansion deadline figures to be reached, Loeb had submitted wrong data. He said, for instance, that in the year 1939, in the case of mineral oils, a certain level of production would be reached which could not possibly be right, and he made the same mistakes in various other fields.

Q. Did you discuss your findings with Loeb?

A. Yes, I immediately went to Loeb and I told him what I had found. He asked me for a signature from the Department of Research and Development, and he wanted a confirmation from me regarding experiments conducted there. I said to him that it was not the affair of a decent businessman to sign for figures which could not be made compatible with reality.

Q. Did you find incorrect figures only in fields in which you were interested, or also in other fields?

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* Document Krauch 63, Krauch Defense Exhibit 13 (not reproduced herein), is an affidavit by Defendant Krauch, signed 23 December 1947, concerning the various offices of the Four Year Plan.

A. The figures referring to textiles and similar products seemed to me to have been considerably exaggerated, so that I had to conclude similarly in other instances.

Q. Would you please state your misgivings of a political nature in this connection? You also discussed that with Loeb?

A. Loeb seemed somewhat annoyed at my objection and he said that it was not necessary for me to give my signature. He said that he had no misgivings at all in transmitting this report to Goering, since it could hardly be assumed that Goering would be in a position to check the data submitted. I said that I could see a very difficult point with regard to these data. A leading personality counting on such high figures could possibly be led to considerations of foreign policy which, under these circumstances, might bring untenable consequences.

Q. Did you report this matter to Goering?

A. I at first approached State Secretary Koerner with these figures.

Q. And what did Koerner do?

A. Koerner, at the end of 1937, had asked me to report to him personally whenever something came to my attention. Koerner was very interested in my observations, and he said that he would immediately submit my reports to Goering.

Q. One intermediate question in that respect for the information of the Tribunal. How often did you actually see Goering and talk to him?

A. If I also count social occasions, I saw him twelve to fifteen times throughout the entire period.

Q. One more deviation. How often did you speak to Hitler?

A. Once, in the year 1944, at Obersalzberg.

Q. You said that Koerner arranged a conference with Goering. How did this conference with Goering develop and what motives caused you to report to Goering in great detail about these matters?

A. Parallel to this was another matter, with respect to which Professor Bosch had approached me. He said to me one day in Berlin that he had had a conference with General von Brauchitsch and General Beck, whom he had known for a considerable period of time. They both told him that they feared that the mistakes which were being made in our foreign policy would eventually lead to war. They said that armament had in no way progressed sufficiently for a war to be tenable. Both gentlemen asked Bosch how industry was progressing. They certainly knew Bosch's attitude, which was well known, and Bosch told them that a war would be absolutely untenable for industry. Both gentlemen asked Bosch to report to the government about his point of view. Bosch was

prepared to do that and he asked me to arrange for a conference with Goering for him. He considered Goering as the only somewhat reasonable man within the government. With these instructions from Bosch I approached Koerner and I asked him to place the matter before Goering. After Koerner had spoken to Goering, he replied to me that Goering at the time was not in a position to receive Bosch. He asked me what Bosch actually intended to tell Goering. I repeated to him verbatim what Bosch had originally told me; I told him about the conversation with Brauchitsch and von Beck; and Koerner transmitted Bosch's wish and his statement to Goering without receiving any other reply than the one I have mentioned.

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(Recess)

DR. BOETTCHER: How did Goering react to your representations in June 1938?

DEFENDANT KRAUCH: He asked me first of all to submit a plan to him as to the extent of the various types of production, and how they were to be promoted. He mentioned three fields which interested him especially; mineral oils, buna, and the field of light metals.

In the next few days I examined the plans which had been made before by the Office for Raw Materials and Foreign Exchange and later by the Office for German Raw Materials and Synthetics, plans which had been unknown to me before, and after a few days I submitted them to Goering at his request. The report described the development separately in each field, and Goering asked me for my opinion how and when these products could be produced in the quantities mentioned and according to the deadlines.

Q. Was Goering especially interested in peacetime needs?

A. The figures were based on peacetime estimates. To give an example, developments in the field of mineral oils had been set at a certain figure according to the progressing motorization, and certain figures had been arrived at in that way. That had been done in the beginning, but it had been discovered that peacetime consumption had developed much faster than we had estimated; especially in the field of motorization. The requirements had simply outrun us. For the next few years we substituted higher figures, and thus in the mineral oil field we reached a demand of about 11.8 or 12 million tons which could be reached in the year 1942–43, on a peacetime basis.

Goering asked me to what extent such a demand could be met. I said by having 60 to 70 percent of it supplied by our own products, and the rest could be obtained by imports. Since we were

an exporting country, it was necessary to have imports in various fields and so it was necessary to keep certain markets open and to buy the materials on the world market. I had another consideration and that was this:

We did not know how world market prices would develop as regards gasoline. There was the experience of the chemical industry as regards dyestuffs—I will mention only indigo. Indigo had shown that in the course of years it was quite possible to come to prices set by the world market. The original price of synthetic indigo was perhaps 5 or 6 times as high as natural indigo, but nevertheless, in the course of time, it had been possible to reduce the price by improvement in production, and to bring it down to the world market price, so that synthetic indigo displaced natural indigo.

A similar phenomenon had occurred in the case of nitrogen. Here again the production prices had been considerably above the world market prices of nitrogen. That was shown especially after the First World War, and I recall quite well a situation when in 1929 a very important member of the Verwaltungsrat of I.G. Farben spoke to me, I being a member of Leuna's technical staff at that time, and told me that the Verwaltunsgrat was faced with the question of closing the nitrogen plant at Oppau and Leuna, since it seemed impossible to him ever to reach the world market price of nitrogen.

At that time I told him of various improvements in the processes which were about to be made, and I brought it to his attention that I was more or less convinced that the technicians and the chemists would be able to put these improvements into practice, which would result in an adaptation of the nitrogen price to the world market price. The next few years showed that this idea was correct.

A similar development might perhaps be expected with gasoline too. When gasoline production and gasoline synthesis were undertaken by IG, a price of about 28 pfennigs f.o.b. Hamburg had to be reckoned with. The calculations which we technical men made at the time indicated that we hoped to reach a cost price of about 20 pfennigs; and under these auspices, we had taken up the gasoline problem.

After several years of intensive work and great difficulty, we succeeded in bringing the cost price of gasoline down to about 20 pfennigs, but the world market price of gasoline had fallen to 10 and even lower. So it was possible to maintain production only if corresponding duties protected the domestic production of gasoline.

Q. And what did Goering have to say about your argument?

A. Goering was quite willing to listen to this argument. In the field of buna the situation was similar, the price had fallen considerably—the price of rubber—so that IG had considerable misgivings about the technical execution of the problem, but the experts hoped to improve the price so that we might approach the world market price.

Here again, for certain reasons, my opinion was perhaps justified that we should hold back production and wait for further development of the cost price. It was similar in the case of light metals, so that Goering saw this production could be carried out on a peacetime basis and approved the plan.

Q. You have been speaking of mineral oils, buna, and light metals. Now how about powder, explosives, and preliminary products? Were they included in the questions which Goering discussed with you?

A. Yes, they were included. In the beginning of our discussions, I was able to present some facts to Goering. Goering was rather excited about the figures which I gave to him. He said that he had assured Hitler that these figures could be reached in the year 1940, mentioning the well-known Four Year Plan, and that he had always been supported by the figures which had been given.

He asked me about powder and explosives. He referred to a statement made to him on the preceding day by Keitel, Chief of the OKW, who had asserted that the production of powder and explosives had reached the figures of the so-called Hindenburg program.

Q. What was the Hindenburg program?

A. Those were the demands which Ludendorff made on the powder and explosives production in the second half of the First World War, for the expansion which was absolutely necessary for the material battles which began at that time. That was the highest limit of production achieved by Germany in the First World War.

Q. Now, were you also ordered to supervise the production of powder, explosives, and preliminary products?

A. Yes, I answered Goering that Keitel's opinion that the Hindenburg program had been achieved was not at all correct in my opinion, since otherwise I should have known in quite another degree the requirements of the nitrogen industry, which had to supply the main product for powder and explosives, that is nitric acid.

Goering asked me to reconsider my opinion. I got the figures from the nitrogen industry and the annual figures concerning the deliveries to the powder and explosive factories. It was discov-

ered that only a fifth or a sixth of the Hindenburg production could have been achieved in the year 1938.

Q. These negotiations and discussions with Goering resulted in the Karinhall Plan. Please give a brief account of this Karinhall Plan.

A. First of all I should like to state that Goering did not give it the name "Karinhall Plan." That was merely generally adopted. It included the fields of mineral oil, buna, light metals, powder, and explosives. In this plan—which was nothing more than the former planning of the agencies concerned—there was the Office for German Raw Materials and Synthetics on the one side, and, on the explosives side, the Army Ordnance Office. They now formed the so-called Karinhall Plan.

Goering gave me the assignment to talk to the industries concerned and to determine the date at which this plan could be realized. After examination I was able to give him the answer that I believed it could be achieved by 1942 or 1943, on the basis of the delivery of materials possible to the various projects concerned.

Q. Now in the years 1938 and 1939, let us say, to what extent were the peacetime needs of oil covered by German production?

A. I believe one can say that one-third of the peacetime requirements could be covered by German production.

Q. And what about supplies? Stockpiling?

A. There was virtually no stockpiling, because the need was far greater than expected. The requirements of the German population for gasoline had greatly increased. In 1932, there was one car for about every 147 inhabitants. In 1938, there was one car for every 52 inhabitants. This was the result of the motorization of traffic, which had taken place in the meantime. The corresponding figures in the United States showed that already in 1932 there was one car for every five inhabitants. Thus, in 1938, we had one car for ten times as many inhabitants.

Q. That was the situation for oil. And now, just very briefly, what was the situation for rubber and buna?

A. We had a need for about 100,000 tons of buna. In 1939, the year of the outbreak of war, production was a little over 20,000 tons, only a fraction of the peacetime consumption of rubber for 1 year. Stockpiling was even in a worse position; in the case of oil we had a supply for perhaps 6 months, for buna we had a supply for perhaps one fortnight.

Q. In this connection, the idea of the so-called "Schnellplan," the "Rapid Plan," was conceived. What do you have to say about that?

A. Planning in the powder and explosives field, its finance and

expansion, was in the hands of the Army Ordnance Office. As I stated before, from the figures which I submitted to Goering, in the middle of 1938, the Army Ordnance Office itself had come to the conviction that the expansion of the powder and explosives capacities had fallen behind the expansion of other armaments; tanks, ships, and so forth. At that time the Army Ordnance Office drew up a plan to hasten powder and explosives production for the Army Ordnance Office under the name of the Rapid Plan.

Q. Were you interested in this plan?

A. When the plan was drawn up, I and my subordinates who were called upon for consultation in the Army Ordnance Office were asked to what extent industry would be able to supply the raw materials for this plan to achieve the production expected.

Q. What year was that?

A. It was the middle of 1938 when the plan was drawn up.

Q. Did you yourself draw up the plan?

A. No. The Army Ordnance Office drew it up on the basis of figures supplied to them by the general staffs of the various branches of the Army.

Q. What was the result of this plan?

A. The idea that by the date given, that is by the end of 1939, the required figures could be achieved was absolutely Utopian. The final figures of the Rapid Plan, in spite of the emergency brought on by the war, were achieved only in 1943.

Q. Now in what consisted the interest (seen from the point of industry), that industry had in this Rapid Plan?

A. Industry had to supply the raw materials or the intermediate products. Industry had to know the time limits, and had to know by what time the preliminary products, not the raw materials, had to be made available. There was considerable confusion here. There was not one ordnance office; there was an Army Ordnance Office, an Air Force Ordnance Office, a Navy Ordnance Office; and above these ordnance offices was the Economic Armament [sic] Staff under General Thomas. It was, or rather, it should have been, his duty to coordinate the demands of the various branches of the armed forces, but that was not possible.

When the Army, or rather the Economic Armament [sic] Staff, said to the industry that it was to adapt itself to a certain production of powder to such-and-such an amount, a representative of the Air Force Ordnance Office would turn up and demand three or four times as much as the Armament Staff had done. Hardly had this figure been mentioned when the Navy appeared and demanded still more. Any agreement between the Economic Armament [sic] Staff and the various other sections seemed impossible, so that industry did not know what figures were to be

observed. It was therefore the endeavor of industry to have one office established to coordinate the demands of the various branches of the armed forces. That was also the opinion of the ordnance offices, who no doubt realized the position, and therefore were thinking of a change in the situation.

Q. There were four big fields which Goering wanted to entrust to you—mineral oil, buna, light metals, powder and explosives, and preliminary products. With respect to powder, explosives, and preliminary products were there any peculiarities, any difference from the other three fields?

A. Yes. I believe 1 or 2 days later, after it had become known through Goering that the Plenipotentiary General for Special Questions of Chemical Production had been appointed, Keitel, on behalf of the OKW, objected to the appointment of myself as Plenipotentiary General, especially in the field of powder, explosives, and preliminary products.

Q. What was the effect of this objection?

A. Keitel told Goering that for those in charge of the Army it was unbearable that a man from industry should obtain insight into the armament figures. It was impossible, he said, for a man from industry to have knowledge of how many divisions were being set up, what the plans were for setting up bomber squadrons. It was a simple calculation from the figures of explosives to be delivered, to calculate how many bombs were to be dropped and how much artillery fire was to be expected. He, therefore, asked Goering to suggest a special plenipotentiary general for this field in the person of the Chief of the Army Ordnance Office, General Becker.

Q. Was that done?

A. No. Goering called me up, or had me called up, and advised me to talk to General Becker. He certainly did not want any interference on my part with the requirements of the Army. He, Goering, could not give any orders to Keitel, since at that time he was only Chief of the Luftwaffe, while Keitel was in charge of all three branches of the armed forces. He asked me to reach an agreement with General Becker on a friendly basis. What he, Goering, was interested in was only getting objective figures on the production of such materials, figures which could really be achieved.

Q. In this connection the prosecution has submitted an exchange of correspondence with Dr. Ambros of 27 June 1938. This is Document NI–5687, Prosecution Exhibit 438,* document book 20, English page 82, German page 180—document book 20, Your Honors, page 82. This is Exhibit 438. It is a letter in which

* Reproduced in full in 5 above.

Ambros makes suggestions for the establishment of a central office to evaluate the program of production of chemical warfare agents and explosive materials. Do you have the letter?

A. Yes.

Q. Will you please comment on it?

A. As far as I am informed, this letter was not sent off as it stands. It is simply the draft of a letter which Ambros intended to send to me. In the letter, Ambros refers to the example of other countries where this question of the organization of powder and explosives production had been solved in a better way than in Germany. He refers to the establishment of a ministry like the British Ministry of Defense. On page 5 of the document he says:

> "A single responsible office must be created on the pattern of the British Ministry of Defense, which will decide all questions pertaining to research, planning, financing, and contractual settlements, and supervise execution, and which will be acknowledged as the voice of the Army and all competent Reich Ministries.
>
> "This office should set up a supervisory board composed of responsible representatives of the Army, the Reich Ministry of Finance, the Reich Office for Economic Development, as well as from industry, which will act as a preparatory committee to work out recommendations and submit them for decision, in the same way as the 'Defense Council' during the World War."

In the First World War, the so-called Defense Council had been organized in a similar way. It had exactly the same duties as those indicated by Ambros in his letter, and there had been similar organizations abroad.

Q. Now, we are at the time when you became Plenipotentiary General for Special Questions of Chemical Production. One of the fields, as you have already said, was mineral oils. Did that include natural petroleum?

A. No, that was not included. There was a special plenipotentiary appointed for that who was Professor Benz of the Geological Institute.

Q. Was it an unusual procedure to create the office of a plenipotentiary general?

A. No. Before that a number of other plenipotentiaries general had been appointed.

Q. Can you mention briefly a few fields for which plenipotentiaries general had been appointed?

A. The field of iron and steel production in the iron industry.

Q. Who was in charge of that?

A. General von Hanneken.

Q. That's the same man who was a witness here? *

A. Yes. Then for electric power, Oberbuergermeister [Lord Mayor] Dillgart. Another plenipotentiary general was the one for the construction industry who was probably the most important plenipotentiary general as he controlled all of industry and its expansion. Then there was a plenipotentiary general for traffic, motor vehicles, and similar things.

Q. Thank you. That's enough.

Now, what was your work as Plenipotentiary General for Special Questions of Chemical Production?

A. I acted primarily in an advisory and reviewing capacity. I had to check the deadlines which had been set for industry under the plan. I had to help industry meet the deadlines. I had to help them get their supplies of building materials and labor. If I could see that there were difficulties which could not be overcome, I had to inform Goering and tell him that the deadlines could not be met for one reason or another.

Q. According to the description which you have just given, did you have the right to conclude any business transactions?

A. No, not personally.

Q. I shall give an example which has already been discussed here. In the Hermann Goering Works, could you have buildings constructed, could you appropriate money for that purpose, could you put plans into practice directly?

A. No.

Q. Now, according to German legal concepts, the expression "full powers" includes the right to represent the person or organization for whom you are acting. I shall therefore ask, did your title agree with the authority which you had in practice?

A. No.

Q. Did you have the right to issue instructions, to give orders, so that third parties had to act according to your instructions?

A. No, that was in the hands of other authorities.

Q. If, then, there was objection to your advice, or if people thought that they did not have to follow your advice, to whom did you go then?

A. I had to go to the authority who had the power to give instructions to industry.

Q. Who was that?

A. In the end it was Goering.

Q. You just said you did not have the right to issue instructions. Did your position differ from that of other plenipotentiaries general?

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* Hermann von Hanneken appeared as a prosecution witness on 19 September 1947. See tr. pp. 1001–1025.

A. Yes, in a certain respect.

Q. What was the reason for your having a different position?

A. The reason was that I was not a government official, and I was not paid by the state for my work. I had only an honorary position, and I was always considered as a man of industry, while the other plenipotentiaries general were in the service of the state and had become officials of the government.

Q. Can you give us any proof, any documentary proof, of this with the aid of prosecution documents?

A. Yes.

Q. Will you please comment on Document EC–282, Prosecution Exhibit 455,* document book 21, English page 56, German page 88? Book 21, page 56. Do you have the document?

A. What's the number?

Q. 455.

A. Is that EC–282?

Q. Yes.

A. What is the page?

Q. German page 88. That is your long work report.

A. Yes, I see it. I believe it is April 1939, 28 April 1939.

Q. Yes. Now describe the situation, and then, as far as your right to issue instructions is concerned, draw conclusions from this report in reply to my question.

A. Would you give me the page again? I think I have the wrong page.

Q. It is page 88. Apparently that is a printing mistake. No, it is German page 88, English page 56.

A. I have here figure 3 — boilers, expansion of the boiler factories. I believe I have found it now, Dr. Boettcher.

This is a work report such as was submitted every 6 months to Goering through the State Ministry. It was customary for this rather detailed report to be condensed by the State Ministry for Goering's benefit into a report not more than two or three pages long, giving the principal figures of the bigger report. In this report I pointed out that the figures given to Goering could not be reached, or that there would be delays of 6 months to a year, since the Karinhall Plan had not been given the necessary amounts of steel, building materials, and so on, which had been specified. This shows clearly that allotments were in the hands of a different agency over which I had no control, but with which I just had to reckon, and by which the plan was regulated.

Q. That's enough, Dr. Krauch, on that document. Now, I want you to look at another document. That is Document NI–1237,

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* Reproduced in part in 5 above.

Prosecution Exhibit 457,[1] document book 21, English page 109, German page 196. Do you have it?

A. Yes, I have it.

Q. What is that document, and what conclusions do you draw from it regarding your authority to issue instructions?

A. This is a letter of Minister Todt to the State Secretary in the Reich Ministry of Labor, Syrup. He states—may I quote?

Q. Please do.

A. "I have asked Dr. Krauch to submit to you without delay a list of the various construction projects, arranged according to regional labor offices, and I request you to send appropriate instructions to the regional offices."

I believe this letter shows clearly that the instructions about the allocations of labor were not in my hands, but in the hands of the Labor Ministry.

Q. Now, to make this quite clear, I shall refer to one more document. This is Document EC–278, Prosecution Exhibit 446,[2] document book 21, English page 8, German page 9. Do you have it?

A. Yes.

Q. What is that letter? Very briefly what are its contents, and what conclusions do you draw from it?

A. It is, if I have the right letter—that is 446—a letter from Goering.

DR. BOETTCHER: Yes.

A. Just a moment. These plenipotentiaries general who are government officials have the right to issue instructions to other agencies, or are not obliged to submit to the instructions of other agencies. That does not refer to me. That refers to those plenipotentiaries general who were state employees and had the authority to issue instructions.

Q. Now, as Plenipotentiary General for Special Questions of Chemical Production, did you have a budget? Could you dispose of Reich funds independently?

A. No.

Q. Did your position differ in this point too from that of other plenipotentiaries general?

A. Yes.

Q. What were the reasons?

A. Exactly the same. I was not a state official. I was a business man.

Q. An important point, which shows the importance of your position as Plenipotentiary General for Special Questions of Chem-

[1] Reproduced in full in 5 above.

[2] Ibid.

ical Production, is the question whether you could allot quotas. Please tell the Tribunal what a quota means.

A. For the building of a new factory, certain amounts of iron and building materials, and so forth were needed. In those years, there was a considerable shortage of materials because of the many tasks of armament; the building of highways, the many structures built by the Party in various cities of the country, and so forth, had caused this. It had, therefore, become necessary to allot the available building materials and to assign them only to those construction projects considered necessary by the government. Therefore, for a certain building project the necessary amounts of iron, cement, wood, and so forth, were requested and the agency in charge of the distribution of these materials allotted the quotas. If 2,000 tons of iron were requested for the construction of a factory, for example, the Iron Control Office—that was General von Hanneken—was asked by the firm to issue 2,000 tons of iron.

Q. As Plenipotentiary General, did you have the right to decide about such quotas?

A. No. That could only be done by the agency competent to give the necessary orders. In that case it would be the Iron Control Office—von Hanneken.

Q. And within what framework was von Hanneken's position?

A. He was in the Ministry of Economics.

Q. In this connection I must put to you a letter of the year 1938 which you wrote to I.G. Farben, Ludwigshafen. This is Document NI–7428, Prosecution Exhibit 217,* document book 8, page 67 in the English, also page 67 in the German.

Do you have it?

A. Yes.

Q. In this letter you write "I am responsible for the procurement of the steel, the funds, and the workers, as well as for the supervision of the construction work." Then it says, "For the orders in regard to the building projects mentioned above, a special code number will be supplied * * *" I believe that this document could be interpreted to mean that you had the right to issue instructions.

A. Yes, that was right. At that time I, or rather the man in charge of this question, was still of the opinion that I could issue instructions. That this was not the case could be seen from the other documents which we have already discussed; so this statement here is incorrect.

Q. What was the further development during the war? I have understood your statement so far to mean that you were dependent for supplies and in other questions on the Reich Ministry of Eco-

* Ibid.

nomics—for financing, and so forth. Was there any change in this situation after the war broke out?

A. Up to that time, obtaining of materials (and especially the allocation of quotas) had been in the hands of the Ministry of Economics, but now the supplying of the G.B. Chem was assigned to the OKW, and during the war the OKW of course had to promote the production of armaments, and it intervened in the quotas allotted to the G.B. Chem and others, and decided which were to be allowed and which were to be held back.

Q. Was that the only organizational change which occurred during the war?

A. No, there was one organizational change after another. It was the endeavor of the National Socialist government, when an office had been created, to set up more agencies to check this one, and prevent the development of any independent agencies.

Q. In this connection, Exhibit 482 is of interest, which is in document book 21, English page 50, German page 57; Document NI–5821, Prosecution Exhibit 482.*

A. Yes, I have it.

Q. That is the testimony of the former Reich Minister for Armaments and War Production, Speer, who speaks of Krauch's position and the position of I.G. Farben. This is book 21, page 50, Mr. President—I beg your pardon, it should be book 22. Yes, that is a typing mistake. Thank you, Mr. Sprecher. That was a typing mistake in my office.

Q. Dr. Krauch, what is shown by this document regarding the allocation of quotas within your jurisdiction as G.B. Chem?

A. That shows that the allocation of quotas was put into the hands of the Central Planning Board, to which the required quotas had to be submitted, and which had to decide about the distribution of the available building materials according to priority.

Q. Please tell the Tribunal briefly what the Central Planning Board was.

A. The Central Planning Board had been set up as a new office by Speer shortly after he became Minister of Armaments. It coordinated the requirements of the military and civilian economy. In addition to Speer there were Field Marshal Milch, Funk, the Minister of Economics, and as the representative of Goering, State Secretary Koerner, on the Central Planning Board.

Q. That is enough for our purpose. Do you have anything else to say about Speer's testimony, which is Exhibit 482?

A. At one point he speaks of the sale of the products. I don't believe he is right here. I never had anything to do with produc-

* Reproduced in full in 6 above.

tion. Both distribution and the entire program were in the hands of the Ministry of Economics. The G.B. Chem was only concerned with expansion. Whether the gasoline factory at Leuna was to produce so much aviation gas, so much Diesel oil, so much vehicle gas, was not decided by me but the economic group, that is the Ministry of Economics, and to a large extent its authority had gone over to the Armament Ministry.

Q. This is a good occasion to consider the letter which Kehrl, an important man in the Reich Ministry of Economics, sent to you, dated 30 March 1943. This is Document NI–820, Prosecution Exhibit 463,* document book 21, English page 172, German page 268. Have you found the place?

A. Yes.

Q. Will you please tell the Tribunal very briefly who Kehrl was?

A. Kehrl had an important position in the Ministry of Armaments. He had previously been the director of the textile department. He had come from Keppler's staff. Since he himself was a textile expert he had been interested in the expansion of the textile industry. Then he had gone into the Ministry of Economics as a Generalreferent, and when the authority of the Ministry of Economics largely went over to Speer in the Armament Ministry, he went, too, and was put in charge of the department for planning and raw materials. He was one of the chief men in the Armament Ministry.

Q. Here he writes as department chief in the Ministry of Economics.

A. Yes.

Q. If you have this letter before you, please comment on it on the question of your authority which is dealt with there.

A. Under paragraph number 2, he mentions the preparation for new planning, and he says that the preparations for this new planning were being made by the Reich agencies—not the Reich Office, but the Reich agencies—like the Economic Group Chemistry which was under the Ministry of Economics. Then under paragraph number 3, planning, he says that planning is in the hands of the Reich Ministry of Economics. The head of the Reich Office for Economic Development is to be called upon in an advisory capacity. The letter shows quite clearly that the men of the Ministry of Economics, and later of the Armaments Ministry, wanted to have the authority in their own hands.

Q. Now, there is a word in this letter which required clarification. The word is "initiative," which is assigned to you to a certain extent.

A. What page is that?

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* Reproduced in full in 5 above.

Q. Page 5 at the top—and following. Do you see it?

A. Yes, it says that the "initiative for the undertaking of new planning is to be generally in the hands of the G.B. Chem," and he adds, that "the G.B. Chem is to order the execution of expansion plans only when the Ministry of Economics states that the necessary conditions of fulfillment are existing or possible." This shows that the initiative was very limited. The execution was in the hands of the Ministry of Economics.

(Adjourned)

DR. BOETTCHER: Dr. Krauch, we stopped in the middle of the discussion about your authority and your competency as G.B. Chem. I shall sum up very briefly. Can you hear; is it coming through?

DEFENDANT KRAUCH: Now it is all right.

Q. I was saying, we stopped in the middle of a discussion of your authority and your competency as G.B. Chem.

A. Yes.

Q. We asserted that you were an expert of high caliber, but had no right to issue instructions or to assign quotas, and you had no budget. The next thing which I should like to bring out in this connection is this: Did you have the right to determine priorities? I wish you would please explain to the Tribunal what we mean by priority classifications. Where did they come from?

A. Priority classifications soon became necessary for quite a number of orders which were to be given to industry, which in part clashed with the armament program of the Wehrmacht. It was therefore necessary to set up a certain order of priority, on the basis of which the various orders could be given out to industry.

To give an example, there was an especially high priority for submarine production. This may perhaps have conflicted with the deliveries of machinery necessary for a mineral oil factory. If this happened, the priority classification indicated the degree of urgency for the delivery—that is, the machinery needed for the mineral oil factory had to take second place. The delivery to the submarine factory had to take place first.

Q. Now, did these priority classifications refer only to the allocation of materials, or also to labor and similar things?

A. That is quite right. They referred also to the allocation of labor. Workers who had to produce the machine for submarine production came before workers who produced the machine for the mineral oil factory.

Q. Very well. Now, did you have the right on your own initiative to determine these priority classifications?

A. No, of course not. That had to be done by a higher author-

ity, an agency which had to supervise all the possibilities and conditions, and other claims, and make the decision.

Q. Can you mention some authorities which set these priorities?

A. For example, the agency in charge of iron control. This was the agency which would tell me: "The enterprise of which the G.B. Chem is in charge has such and such a priority." Of course this agency, such as the office of Hanneken, did not have the authority to issue priority ratings itself; they came from still higher up. First of all, from the Armament Minister; that was Dr. Todt, in the beginning. He had the final decision on construction; and the OKW, which was primarily interested in armament, also had something to say. A suggestion was made by all these authorities, and a decision as to priority was reached by the highest authority, Goering, and perhaps, in urgent cases, Hitler himself.

Q. Now, to make it quite clear what your position was in connection with these very high authorities, I should like to discuss with you a practical example with the aid of the documents which the prosecution has submitted.

If you will look at Document NI–11781, Prosecution Exhibit 1408,* document book 72, English page 1, German page 1—have you found it?

A. Yes, I have found it.

Q. Please tell us briefly what this document is about.

A. This is about the building of buna plant III.

Q. What is this document? Is it a letter?

A. It is signed by General von Hanneken of the Ministry of Economics, and it comes from the Minister of Economics.

Q. To whom?

A. It is addressed to I.G. Farbenindustrie, for the attention of Dr. ter Meer.

Q. What do you find on page 2 of this document regarding priority?

A. I shall quote that paragraph:

> "With reference to the priority rating of these building projects, their general grouping under special priority is not possible at the moment. I am, however, prepared to support this expansion in every way and to give priority ratings in special cases. I should like these questions to be discussed in collaboration with the Plenipotentiary General for Special Questions of Chemical Production, Professor Dr. Krauch, and in particular, I should like you to let me know which cases, in

* Letter from the Reich Minister of Economics, 8 November 1940, to Farben (attention of the defendant ter Meer) concerning "Expansion of Buna Production from 100,000 to 150,000 Tons." This document is not reproduced herein.

your opinion, unquestionably require a priority rating at present, for the expansion of buna plant III, in Ludwigshafen. Similarly, the High Command of the Wehrmacht has promised suitable assistance with regard to partial inclusion in the priority ratings."

Q. Very well. Now please draw conclusions concerning the question of your authority in this important field.

A. The document shows very clearly that the assignment of the priority ratings was proposed by the Ministry of Economics with the approval of the OKW. Those were the authorities which decided the priority classifications.

Q. And if you considered a higher priority necessary, to whom did you have to make the application?

A. The application had to be made to Goering, who consulted the other authorities, in this case the Minister of Economics and the OKW, and issued the order.

Q. So that this is made quite clear, could you perhaps mention some special priority classifications?

A. There was priority 0, priority 1, the so-called special priority, called SS, and then there was one still higher—SSOO. I believe that was the highest, for very special cases.

Q. Please tell the Tribunal whether this document which I discussed with you is only one example among many, showing your rights in the field of determining priorities.

A. As you say, that was only one example among many. The order of this plan was constantly changed by other priorities ordered by higher authority.

Q. Now we shall leave this question of priority ratings. The next question which I want to discuss concerns your authority under the subject of limits imposed on your authority in this. Did you have anything to do with the production of the proposed plants under your charge? Could you interfere with production when the plants were set up?

A. No, I could not. That was in the hands of the Ministry of Economics.

Q. Another question. Did you yourself have the right to propose the erection of plants?

A. No, I did not.

Q. But you surely had the right, on the basis of the respect you enjoyed, to make suggestions?

A. Yes.

Q. Did suggestions come from industry itself; for example from I.G. Farben and other enterprises of the chemical industry?

A. Yes, they came very soon after the Four Year Plan was announced.

Q. Can you give examples of the coming of industrial associations to you with suggestions for new plants?

A. I can refer to one specific example in the hard coal industry. This industry had always wanted to refine coal itself. It had become known very early that the coal industry was interested in producing dyestuffs, for instance. Some circles in the coal industry realized in view of the great advances which I.G. Farben had made in its 40 or 50 years of activity, it would be impossible for them to work in this sphere, so that it was more to the interest of the coal industry to enter some newly opened field—for instance, the nitrogen industry. Nitrogen plants were very soon built within the coal industry, partly by reason of processes which the industry had discovered itself, and partly because of licenses obtained from I.G. Farben. A special field, which was necessarily of interest in the sphere of the refinement of coal, was the hydrogenation of coal; and here agreements were very soon reached with I.G. Farben and with scientific institutes such as the Kaiser-Wilhelm-Institut, where Geheimrat Fischer worked to acquire processes so that the coal industry could enter the field of coal refining.

Q. Very well. We have now heard enough examples to indicate the interest of industry in the projects of the Four Year Plan. For the position of expert, which you had, according to your description, it is important to know to what extent your judgment and your suggestions and recommendations were followed. Please explain to the Tribunal to what extent your suggestions were followed, and to what extent they were deviated from.

A. There were, of course, various factors which interfered with planning. It was my duty to draw attention to processes which were ready for production, and in general, my opinions were followed. Very soon, however, other problems came up which seemed more urgent to the government authorities, so that no consideration could be taken of my suggestions, and other interests were considered more important.

Q. Yesterday afternoon we spoke about the Karinhall Plan, which set certain time limits and dates when projects had to be finished. Please tell us to what extent this Karinhall Plan was affected in practice by other plans contrary to your suggestions?

A. When the Karinhall Plan was drawn up, Goering asked me about the materials which would be necessary in order to build the plants concerned in the given time—which I had given as 1942 or 1943—for the mineral oil requirements. To give an example, for the mineral oil field I had, on the basis of the infor-

mation supplied to me by industry, figured out an iron requirement of 120,000 tons of iron per month. Goering had promised that this iron would be obtained. That was actually the case for the last quarter of the year 1938, after I had become Plenipotentiary General in July. In the first quarter of 1939, the amount of iron which I had requested was not allocated. The amount went down to 50,000 tons, a very considerable reduction.

I shall mention only this one field. In other fields it was just the same. This development was caused by the construction of the so-called West Wall, which required a great deal of building material.

Q. Just for explanation, tell us what the West Wall was; what kind of work was that?

A. The West Wall was ordered by the highest authorities to fortify the western borders of the Reich. It corresponded to the Maginot Line which the French decided upon and to a large extent carried out after the First World War. The West Wall was considered a purely defensive line and, of course, required enormous quantities of cement, iron, wood, and so forth, since there were a number of fortifications included in it.

Q. Very well. Now, very briefly, a few more examples of what interfered with your suggestions.

A. I shall mention the submarine program, which interfered considerably with the Karinhall Plan. At the beginning of the war, there was an enormous submarine program which had the highest priority and pushed back all other projects.

Q. And a third example, finally.

A. From the experiences of the first Russian winter, the government and the military command now realized the importance of tanks, and a big tank program was set up, which again got top priority, so that the submarine program and all other projects had to take second place.

Q. I shall leave this point now and come to another subject which is necessary in order to clarify your position as Plenipotentiary General for Special Questions of Chemical Production. Did you take an oath as Plenipotentiary General?

A. No.

Q. Did you receive any document, any written appointment? Or did you sign any contract referring to your activity?

A. No.

Q. Did you receive any salary, or did you receive any remuneration from the state?

A. I received no salary or any other remuneration.

Q. If I remember correctly, you have already spoken about the question as to whether you were a government official.

A. I answered the question yesterday. I said that I was not a government official.

Q. Was such a position ever offered to you?

A. After I had been working on the Raw Materials and Foreign Exchange Staff for a few months, Colonel Loeb came to me with such a suggestion.

Q. Why did you refuse?

A. I refused deliberately. I did not want to become a government official and leave private industry. I had been quite satisfied with my work in industry, and I always wanted to be able to return there. If I had accepted this position, I would have been bound to the state, and I did not want that. Also, I had the feeling that without this bond I would be much more independent and would be able to serve industry better, which was my main reason for taking on this job.

Q. Did you talk to your friend Bosch about this?

A. Yes. I talked to Bosch about it, and Bosch agreed entirely with my attitude. I went so far as to tell him that I would prefer to return to I.G. Farben, that I could in no case accept, and Bosch quite agreed.

Q. Now did you ever have the intention of leaving this official position of yours?

A. Yes, that happened several times.

Q. Since this is important in judging your personality, please give us your motives.

A. First of all, I went to Colonel Loeb (after the reorganization of Department III—Research and Development—was finished), and told him that now I had done my work, and, according to the agreement which we had reached at the time, I should like to return to I.G. Farben now. Loeb talked to Goering, I believe, and Goering ordered (or recommended to me), that I remain in my position until the transfer from theoretical to practical work was complete. A year later I made the request again, and I talked to Milch, who was, at the time, State Secretary of the Reich Air Ministry, and also to Bosch. Both these men advised me to remain in my position. Milch said: "You hold this position in order to prevent silly things being done by dilettantes and others. It is not a pleasant task for you, but you have to do it in the interest of industry, since you are one of its main representatives."

Q. In your wish to leave this position, was one of the factors the fact that there was certain conflict with the Party agencies?

A. Yes, that is the case. I was soon reproached with a lack of objectivity. It was said that I was merely a representative of industry who would uphold industry rather than the state. I was

criticized for the choice of my associates, because I had acted from purely technical considerations rather than political ones, and I had picked out associates from industry who were considered not quite reliable politically, but of whose technical ability I was convinced, which was the decisive point for me.

Q. This reproach of lack of objectivity is taken up with great emphasis by the prosecution. Therefore, I should like to bring out a few facts very briefly in this connection. The first question: After taking over your office in the Four Year Plan, did you remain a member of the Vorstand of IG?

A. Yes, I remained a member of the Vorstand of IG.

Q. Did you continue to work—to be active as a member of the Vorstand?

A. No. After taking over the office in the Raw Materials and Foreign Exchange Staff until the end of the war, I did not attend any of the Vorstand meetings or Technical Committee meetings or any other meetings which I was supposed to attend.

Q. Dr. Krauch, there was a mistake just now. I should like to correct it. You said "until the end of the war."

A. I was in the Vorstand until 1940 and, after the death of Bosch, I became his successor as first chairman of the Aufsichstrat. Thus, I was not a member of the Vorstand until the end of the war. That is true.

Q. Now, to go on. You say you remained a member of the Vorstand formally, but you did nothing. You were not active. Were you legally authorized to attend meetings of the Vorstand as long as you were formally a member of the Vorstand?

A. Yes.

Q. Now, what were the reasons why you exercised this reserve?

A. In my position in the Raw Materials and Foreign Exchange Staff, and later in the Four Year Plan, I had contact with people from other chemical industries, and these people told me in confidence of their newly gained knowledge and research, so that I gained knowledge of a number of processes which were not public knowledge in industry. I, therefore, wanted to avoid giving the impression, by attending Vorstand meetings of the IG, that there were still connections with IG, and that there was, perhaps, the danger of indiscretion—perhaps unintentional on my part—by which IG might learn the secrets of other industries, and, the other way around of course, that by knowing the details of IG processes I might betray their secrets to other industries.

Q. Very well. I'll come back to this later. Now, I should like to go on, and next I should like to discuss the setting up of your office as G.B. Chem and the Reich Office for Economic Development. When you were appointed Plenipotentiary General for

Special Questions of Chemical Production you had to have an office for your work. How did you build up your new office?

A. I took the organization I had built up as head of the Department for Research, and I included the other departments in charge of construction work for mineral oils and buna, and thus built up the administrative machinery of the Plenipotentiary General.

Q. What was your rank as G. B. Chem, or as Reich Office for Economic Development within the framework of state officialdom?

A. As far as the Reich Office for Economic Development is concerned, I was under the Ministry of Economics. I was not a "supreme Reich authority," as it is called in the German administration.

Q. Was that also true for both your positions as Plenipotentiary General for Chemical Production, and as head of the Reich Office for Economic Development?

A. That was true for both positions.

Q. I should like to discuss this with you by consulting a document. Will you please look at Document NI–7132, Prosecution Exhibit 462,* book 21? book 21, page 169 in the English book, page 265 in the German. Do you have the document?

A. Yes, I have it.

Q. Please tell us what this document is about.

A. It is about the reorganization of the Reich Office for Economic Development after I had been appointed provisional head of this office. It says at one point—

Q. Under figure 1 ?

A. Yes—that the Reich Office is under the Reich Minister of Economics and is a "high Reich authority"—not a supreme Reich authority.

Q. That is under figure 1 of the document, Mr. President. One very brief question: When did you become head of the Reich Office for Economic Development?

A. I became provisional head of the Reich Office for Economic Development after the previous head of the office, Major Czimatis, had been called to the Army.

Q. You emphasize the word "provisional." What do you mean by that?

A. I could only be a provisional head because I was not a state official. It was proposed at the time that some other person be made head of the office, since there were misgivings about having a man from industry in this position. As far as I learned later, however, the various authorities concerned could not agree on any

* Reproduced in full in 5 above.

person, so I was asked to take over the duties temporarily until a man could be appointed.

Q. Another problem: In taking over the office as G. B. Chem, you had to have certain new assistants. The prosecution makes the charge that your department, Plenipotentiary General for Special Questions of Chemical Production under the Four Year Plan, was a department of I.G. Farben—to put it pointedly—and that 90 percent of the personnel of the Krauch office in the Four Year Plan were IG employees. That is the prosecution's contention. What do you have to say about that?

A. That is, of course, absolutely wrong. I obtained my advisors from all the branches of chemical industry concerned—they were always just those individual fields. It was clear that in the field of aluminum I called in advisors from the United Aluminum Works [Vereinigte Aluminiumwerke], which was a Reich plant. In other fields affecting the Reich Office, it was the same. If I include purely academic officials, then in 1939 there were 27 percent from I.G. Farben. If I include all the subordinate officials who were in the state service and paid by the state, then the percentage is still lower.

Q. Did this percentage increase—did it change during the war to any extent?

A. Not much. It increased perhaps to 35 percent, depending on what problems were urgent. That depended somewhat on requirements.

Q. You mentioned 27 percent and 35 percent. To give the Tribunal an impression of size, I should like to ask: how do these percentages compare to the participation of Farben in the total turnover of the chemical industry in Germany?

A. It was always calculated that the part taken by I.G. Farben in the total turnover of the German chemical industry was 35 percent to 40 percent.

Q. Now, in this connection, the prosecution emphasizes the fact that I.G. Farben continued to pay a number of the people who were assigned to your office. Did other firms—not IG, but, for example, the United Aluminum Works which you just mentioned, or the well-known chemical firm of Schering—also pay persons who were assigned to your office?

A. The other firms did so in exactly the same way.

Q. What was the reason for this?

A. In general, the man who had a respected position in industry did not have any ambition to enter the state administration. He always wanted to return to his industry and could be induced to accept an administrative position only if he would continue to be

paid by industry and thus retain his connection with industry. In general, the state paid much lower salaries than industry did.

Q. In one of our conversations about this question, you gave me some examples from other countries. Perhaps you could say just a few words on that.

A. There was a similar situation in England, where people were called to government work and still remained members of their firms. And in America it was no doubt customary for people working for the New Deal, etcetera, to be paid by industry.

Q. Now, in this connection—the relationship between I.G. Farben and the Four Year Plan—two statements have been submitted by the prosecution which I should like to discuss with you because of the especially strong way in which they were put. First of all, Dr. Kuegler's statement. He was the chemical Referent in the Reich Ministry of Economics, and he said that the Four Year Plan was an IG plan. I shall give you the other statement too, so that you can answer both at the same time. The other is a short statement by the former Reich Minister Speer who, in his affidavit—that is, Exhibit 482—speaks of IG as being nationalized. What do you have to say about that?

A. I can't quite understand Speer's statement. Speer, no doubt, did not know the circumstances of the setting up of the office sufficiently well and had perhaps been misinformed by contrary interests, so that he was misled into making this great exaggeration. As far as the other case is concerned, Dr. Kuegler—who was the chemical Referent in the Ministry of Economics—I can only call that statement nonsense. It perhaps arises from the fact that the Office for Economic Development never had the approval of other government agencies. It was always considered a competitive agency. These men, although they in no way had any capacity to direct industry, saw in the Reich Office for Economic Development, with which industry liked to cooperate, a source of envy and considered it competitive, so that they were not afraid to express calumnies which were not at all true.

Q. Very well. Now, in conclusion, regarding the IG plan being the same as the Four Year Plan, please say briefly what, in your opinion, was the proportion of the things connected with IG in the Four Year Plan, to all the other important projects discussed in the Four Year Plan?

A. It is quite wrong to see in the Four Year Plan a purely chemical plan. At the beginning of my testimony I said that the Four Year Plan really included the whole industry. The chemistry sector was only a small fraction of the Four Year Plan. I spoke of food; I spoke of coal; I spoke of iron; of transportation,

etcetera. It included, in effect, the whole of industry, and the sector affecting chemistry was only a part.

Q. A new question: From the point of view of the Four Year Plan being equivalent to IG, the prosecution submits that you obtained official advisors from IG in the persons of a number of members of the Vorstand. What do you have to say about this?

A. That is no doubt true, since IG had outstanding position in the chemical industry and especially in the development of new processes, as it had a large research apparatus [sic] which it enlarged as years went by. Since we did not get enough people from the universities who were well trained in modern processes, IG had set up research machinery in its own laboratories. It had always been the principle of IG to deal with big problems of the future. Other industries were satisfied with earning money and did not want to put money in new, risky undertakings. I may recall something that Professor Bosch once said: "IG is not here to give big profits to its stockholders." He said: "Our pride and our duty is to work for those who come after us, and to establish the processes on which they will later work."

Q. Very well. May I remind you of the experts whom you, as G.B. Chem, called in as advisers.

A. These experts were taken from all branches of the chemical industry with which we had to deal. I believe there is a list of these men among the documents, from which it will be seen that among the actual representatives of industry in our offices, 42 percent were from I.G. Farben. The others came from other chemical industries.

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Q. Did these people work on their own initiative, or only at your request?

A. Only at my request.

Q. Then these experts exercised no initiative of their own?

A. No.

Q. What was the organization of your office of G.B. Chem and the Reich Office for Economic Development? To be brief, just give the three main departments and the names and positions of the men who were in charge of them.

A. First of all, there was Department I in charge of the affairs of the Plenipotentiary General. The head of this department was Dr. Ritter.

Q. Was he from I.G. Farben?

A. Yes; he had formerly been the head of the Vermittlungsstelle. I had known him for years. He had worked with me in

Oppau. Then there was Department II, the head of which was a Dr. Bauer.

Q. Was he an I.G. Farben man?

A. No; he was a purely Party man who was put in there more or less to check on me. Then there was Department III, which was also in charge of part of the Reich Office's affairs in certain fields; fats and so forth. This was headed by Oberregierungsrat Engeroff, who was also a purely state official. He had formerly held a position in the Patent Office.

Q. I shall leave this field and go back to your basic statement which you made near the beginning of your direct examination; that is, to discuss the measures which you say cannot be reconciled with alleged knowledge of an intended war of aggression. Please speak first of all basically, and then we shall go into individual points.

A. I realized, of course, that the armament program was a very important program of the government, but armament is not necessarily a sign of a war of aggression. As a result of the terms of the Versailles Treaty, Germany had disarmed all along the line. Plants connected with war production had been completely destroyed, while in other countries big armament plants were still in operation. It is therefore obvious that rearmament had to run parallel with the reintroduction of military service in Germany. I have never denied the fact of rearmament.

Q. Now, to get down to individual facts from which you infer that you were not thinking of wars of aggression. I shall mention what we discussed together, the production of explosives capable of being stored for a long period of time. What do you have to say about that?

A. One of the most important—or perhaps the most important—explosive for military purposes is trinitrotoluene. The explosives industry had produced a trinitrotoluene which could be stored for about 4 years. At the beginning of 1939, people whom I knew in the explosives industry came to me and said that they had worked out a process, by which trinitrotoluene could be produced, which could be kept for 15 years. It depended on the degree of purity. Particularly pure trinitrotoluene could be kept much longer than that which had impurities in it. The production of this trinitrotoluene which could be stored for longer periods of time would necessitate the production of much smaller quantities.

Q. Dr. Krauch, I believe you must speak still more slowly, as I hear from my colleagues that the translation is not coming through very well.

A. I just said that the production of this new trinitrotoluene

involved a considerable decrease in production; it amounted to about 50 percent. If previously I had been able to produce perhaps 6,000 tons in a given period, with the new process I could produce only 3,000 tons. I should like to mention that this was at the beginning of the year 1939, about February or March.

The gentlemen asked me whether there was any point in making such a suggestion to the Army Ordnance Office. I advised them to do so. The Ordnance Office took up this suggestion, so that the production of trinitrotoluene was immediately adapted to this new process, and thereby the production of this important explosive was considerably reduced at the beginning of 1939.

Q. That is sufficient. You need not go into any more detail.

Another example which we have already discussed, but which for the sake of context I should like to bring out very briefly at this point, is the question of iso-octane. Please tell us once more very briefly what the role of iso-octane in armament was, and your opinion on this question.

A. The United States very early recognized the importance of iso-octane for aviation, and especially during the war it was discovered that this substance, which is added to ordinary gasoline to about 20 or 30 percent, increases the speed of aircraft considerably. We ourselves had discovered the process by which iso-octane could be produced in large quantities. Although we had the process in our possession and although the Aviation Ministry had a great interest in the production of this substance, I could make no recommendation, as the conditions for production seemed not at all practical. The product was rather expensive for normal times. I therefore refused to fulfill the wish of the Aviation Ministry, which had come to me, to include in the planning the construction of such a plant. Upon the outbreak of war, the Aviation Ministry came to me with the request that such a factory be built immediately, which of course was done. But it was two years before this factory could go into operation.

Q. A third example which we want to bring out is in regard to Poelitz.

A. Poelitz was a hydrogenation plant which processed foreign petroleum by hydrogenation into high grade gasoline. The factory was built together with subsidiaries of Standard Oil, Shell, and IG, one-third interest each. It was erected near Stettin. It was very poorly situated strategically, since planes could reach it very easily by flying over the sea. It was dependent on crude oil, so that the factory could not be operated when war broke out, but had to be adapted to the use of coal and tar, which took a considerable time.

Q. This factory was under your charge?

A. It was under the charge of the Plenipotentiary General.[1]

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DR. BOETTCHER (counsel for defendant Krauch): On the basis of various documents, the prosecution brings the accusation against you that the stockpiling of various materials for the event of war served the purpose of a war of aggression. What do you have to say about that?

DEFENDANT KRAUCH: It is a matter of course that war economy must be interested, from the military standpoint, in the stockpiling of certain materials which the country itself cannot produce in sufficient quantities. Yesterday I spoke of the economic mobilization of the United States. I remember very well that this program provided that various substances, such as tin, manganese, and rubber, of which the United States does not have a sufficient supply, should be stockpiled in quantities sufficient for about 2 years. These were considerations in the United States which were made known in publications after the First World War. We had made similar efforts, and when I knew that, I quite understood that in Germany, which was very poor in raw materials, the same thing would have to be done.[2]

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DR. BOETTCHER: Dr. Krauch, we were discussing a few points with which you are specially charged by the prosecution. To this circle belongs the draft of your work report before the General Council on 28 April 1939. This was submitted by the prosecution as Document EC–282, Prosecution Exhibit 455,[3] in book 21, English page 56, German page 88. In this lengthy report, the political statements to be found at the end are designated as particularly incriminating for you. These are the statements, Your Honors, to be found on page 183 of the German, and that is at the end of the report in the English as well. That should be approximately on page 120 of the English.

PRESIDING JUDGE SHAKE: I think, Doctor, you will probably find it on page 106 or 107 in our books.

DR. BOETTCHER: Thank you.

PRESIDING JUDGE SHAKE: We have it marked as having been called to our attention by the prosecution during the presentation of its case.

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[1] The testimony which immediately follows concerns the location of important plants. It has been reproduced below in subsection I, "Dispersal of Production."

[2] Further evidence on stockpiling is reproduced below in subsection I.

[3] Reproduced in part in 5 above.

DR. BOETTCHER: Please, Dr. Krauch, give us your opinion about the statements with which you are charged, especially.

A. The entire report comprises a summary on the state of the "Karinhall Plan," and similar works, which was intended to be used for a report to the General Council.

Q. Tell us briefly what this General Council was?

A. It was a briefing of the main office holders [sic] of the Four Year Plan. Sessions were held under the chairmanship of State Secretary Koerner fairly frequently before the war. During the war they gradually ceased since the entire direction of economy, and also of the armaments industry, had passed to the Armaments Ministry of Speer.[1]

Q. Please, what do you have to say about the drafting of this report and about its final contents?

A. Yes. For this report I usually asked the various expert consultants to give me a report about the state of advancement of their construction projects. In one of these reports that they submitted to me, this final remark is contained which you mentioned just now. I cannot remember—and I have also asked other participants of this General Council—I cannot remember that I made such a statement. I can be certain about this for another reason as well, because I never allowed any political inferences to be made in such discussion. I confined myself to an objective description of the facts that confronted us. I assume that one of my experts—I might give you a few names—inserted this passage which represents the ideas of many serious thinking persons of the time. They were worried about the irresponsible foreign policy of our government, and expressed misgivings as to where the road of the government was leading us. And the person concerned probably wanted to express that in this passage. The fact that he considered the situation as very serious can be seen clearly from the final words which express that, under the circumstances in the economy and in the armament industry, a war could only bring a bitter end for us—which was actually the case.

Q. In this connection just discussed by us, we must also speak about the participation in the sessions of December 1936, and in October 1938. A record of these meetings was submitted by the prosecution as Document NI–051, Prosecution Exhibit 421,[2] document book 20, English page 9, German page 58; and the second meeting as Document NI–6767, Prosecution Exhibit 30,[3] document book 3, page 35 of the English and 50 of the German.

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[1] Speer became Minister for Armaments and Munition in 1942.

[2] Reproduced in part above in subsection F 2.

[3] Record of a pretrial interrogation of Defendant Krauch. Not reproduced herein.

Please give us your opinion about these two sessions jointly, since these things belong together.

That is document book 20, Mr. President.

PRESIDING JUDGE SHAKE: Yes.

DR. BOETTCHER: On page 9, and the other was in document book 3, page 35 of the English. The prosecution regarded the participation in these meetings, as well as the knowledge you must have had about what was discussed, as knowledge of the aggressive intentions of Hitler. Would you please give us your opinion about that?

A. The first speech which you mention was at the Preussenhaus meeting on 17 December 1936, when Goering and Hitler both spoke. Goering's speech, it is true, was not commented on in the newspapers; only Hitler's speech was mentioned. From Goering's speech, it was evident that he wanted to promote exports, which had to be furthered under all circumstances in order to procure foreign exchange.

Generally, there were the strong words that we were used to hearing—Germany must become strong; we need rearmament; we must activate industry, and Hitler especially emphasized that afterwards. Industry was not well liked in those circles. It was always talked about as politically unreliable and it was threatened that if it did not go hand-in-hand with the government, steps would be taken against it. That was the last chance for industry to show that it would take its proper place and fulfill its task.

In this Preussenhaus speech of Goering and Hitler I saw no indication of any planned war of aggression. It was true that they described the foreign political situation as "very serious to us." There were many participants. I believe that I saw there all the prominent representatives of industry at the time whom I knew. There was generally a very serious feeling. At that time danger from the East was felt, and precautionary measures in Russia were discussed. The construction of airports in Czechoslovakia were intended for attack upon Germany, so that all participants, and even Geheimrat Bosch next to whom I sat, were seriously alarmed.

Q. In the session of October 1938, may I recall to you a certain expression which seemed very picturesque to me? That is the "umbrella" example which Goering used.

A. I know what you mean. This session took place in the Air Ministry after the Munich Pact. Churchill's and Eden's speeches in London had become known. Chamberlain also spoke. One heard of large rearmament measures abroad, and the same reports came to us from France.

Hitler had given his speech in Saarbruecken, and the result of

his speech abroad was, "Tie your helmet more securely after victory," and generally a serious atmosphere made itself felt. Goering spoke mainly to industry in this meeting. He used this umbrella example that you mention. He said, "If I go out for a walk and take my umbrella along, then it is sure not to rain; but if I leave it at home, then it is certain to rain. It is similar in the armament industry. If we do not enter the race of armaments, then we will have a war. They will attack us. If we enter the race, and if we are armed, then we prevent a war." Those were the words which he addressed to industry.

He briefly mentioned the Jewish question, and he said that he was not in agreement at all with the measures of force that were taken against the Jews, the destruction of stores, and so on, that resulted in material destruction only. He spoke about the influence which the German Labor Front was trying to exert on the enterprises, where the Labor Front tried more and more to exert influence over the administration of German enterprises; and he had most energetically rejected this. The prerequisite for this, however, was that industry should not show a disinclination towards the endeavors of the government, and it should assist the government in rearmament, and so on.

Q. If I remember correctly, the prosecution offers the records of these meetings, under the aspect that they were secret and confidential meetings, so that they can bring this in to support their argument that they were really in connection with aggressive war.

A. I do not believe that these can be called secret meetings. The meeting in the Preussenhaus took place in the Chamber of Deputies of the Preussenhaus, which seated several hundred persons. All seats were taken by representatives of industry. I don't think that could be classified as a secret meeting, with an attendance from all parts of the country.

Q. This seems to be a lead to the question that I must ask you in connection with the IMT judgment. Before the collapse in 1945, did you have any knowledge about the well-known four secret meetings dealt with in the IMT judgment, according to which Hitler clearly and openly expressed his opinions in these meetings?

A. I did not participate in any of these four meetings, and did not know that they were being held.

Q. Thank you. The prosecution charges you in the Trial Brief, that unlike Schacht, you did not resign from your position as Plenipotentiary General for Special Questions of Chemical Production, and in this connection the prosecution says that you, like Schacht, should have become alarmed by the extent of armament,

and that therefore, just as Schacht did, you should have drawn certain conclusions from such knowledge. Please give us your opinion about that.

A. I believe that Dr. Schacht was in an entirely different position to mine; Schacht was a Minister in the Cabinet. He participated in meetings under Hitler's chairmanship. Certainly, as he expressed it himself, he knew Hitler's intentions in time. Outside, and in my circles, the reasons for his resignation were looked upon quite differently. In public, of course, Schacht could not mention that he resigned because he feared that Hitler might be agitating for war. I believe that would have been very bad for him. In our circles the reason for his resignation was generally considered as being an entirely different one.

Schacht had become more and more opposed to the government in the financial field. He saw quite clearly the tremendous outlay which the government had made in all fields of armament, the Reichsautobahn, the reconstruction of cities, etcetera, and these expenses far exceeded the budget, so that Germany was more and more in debt. I myself regretted very much at the time that such an intelligent man as Schacht used this reason to leave the government, for if anyone could have helped Germany out of financial misery, then only such a man as Schacht could have done so. It is, of course, true that people, such as myself, did have misgivings where this road would lead; but I thought, and I also had it confirmed to me lately, that no such inflation as we experienced in 1922 and 1923 would come, as Schacht feared, which could not be controlled, but that a devaluation of the mark would be carried out at the proper moment; as the example we have seen in Russia, where the national debt was simply got rid of by devaluating the ruble.

By this I want to express how we, in our circles, regarded Schacht's resignation at the time. It is these very people such as Schacht who should have stayed at the helm at the time, for it was they who could have steered the government back upon its proper course. It is true that it would have meant much humility, and great difficulties for them, but they should have tried. I endeavored at the time to follow the course shown to me by Bosch and to remain in my position in order to "prevent nonsense," as Bosch expressed it, as far as possible, and to try to maintain the initiative of industry. That was the reason why I remained in my position at the time.

Q. We discussed previously the question of state rank. Please tell me, for reasons of delimitation, was Schacht's position in any way comparable to yours?

A. Certainly in no way comparable. Schacht's position was considerably higher than mine. He was a Cabinet Minister.

Q. You had a general insight into the entire rearmament, or not?

A. The rearmament was kept very secret, so that only a very small circle knew about it. It is true that Schacht belonged to that group of people, since he had to finance it. I, however, only had insight into that sector which concerned the plans contained in the Karinhall Plan and the Reich Office for Economic Development.

Q. What was the ratio of this field of the Karinhall Plan, in comparison with the entire rearmament?

A. It is now very hard to arrive at a figure, for the final figures changed during the war, and they were not known to me in any way. It is possible that until the outbreak of the war it might have amounted to one-fifth or one-sixth, or perhaps even less . I mean of the entire Four Year Plan.

Q. Excuse me, you are speaking of the entire Four Year Plan, about one-fifth or one-sixth, and in this special plan again only one-fifth or one-sixth belonged to the sphere of the Plenipotentiary General?

A. Yes.

Q. A very important discussion, which sheds light on the knowledge that you had, took place with Goering in the middle of June 1939 on the island of Sylt, in the North Sea, where Goering was having a vacation. Would you please describe the contents of this conversation briefly?

A. I had written a letter to Goering, probably in May, in which I told him that the production schedule that I had given him at the time could not be maintained because of the allocation of material. We would have delays of a year, or certainly of half a year, which would change the entire plan. At the end of the letter, I made a remark that at that time especially everything should be avoided which might in any way involve us in any political entanglements, since here—for example, in the sector that I had insight into—the productions possible would show quite clearly that a war would not be supportable. I had explained that at this General Council and one of my associates had made similar remarks; but I mentioned that previously.

Q. How did Goering react to this report?

A. After a little while Goering asked me to come to Sylt, where he usually went in the summer for his health. He discussed this report with me, and especially talked to me about the conclusions that I had drawn, how I had come to such an idea that a war might happen. I told him that the times were very serious, and

that I was somewhat under the impression that the Munich Agreement was not being kept, since Germany had invaded Czechoslovakia, and that, from foreign sources, I had gained the impression that foreign countries would not countenance any further political entanglements, and that they would reply with war. The motto of the day was "Stop the aggressor," and that could be seen in all the newspapers. The opponents from whom we might fear trouble were in the East. Goering asked me then, "If we do have a war with Poland and Russia, do you believe that France and England will fight on the side of those countries?" I answered that in the affirmative, and I pointed out the visit of the English General Staff officers—and French General Staff officers too—to Moscow, who were present for military discussions in Moscow at the time.

Goering said that he was informed differently by the Foreign Office. I could not understand that at the time, and he said furthermore, "You need not worry about a war. There won't be any." My opinion had been confirmed by a visit of the Swedish businessman Dahlerus, who was a witness in the IMT trial. Dahlerus was an acquaintance of Goering. Goering had had relations with Sweden through his first wife. Goering had sent Dahlerus to me and he discussed the development of a new heavy oil motor with me. He told me about Englishmen who were interested in this motor, whom he had visited previously, and he mentioned that he had had an opportunity, on Goering's behalf, to speak with Chamberlain, the Prime Minister of England at the time. He said that Chamberlain had made only the best impression on him. He said that Chamberlain was a friend of Germany, who wanted only the best for Germany. Germany, however, should now do everything not to endanger the prestige of that gentleman through a new political adventure, because this factor would certainly be used by the English Parliament to overthrow Chamberlain's government, and the succeeding government would go in an entirely different direction as far as Germany was concerned.

Q. What was the conclusion of your discussion with Goering at Sylt?

A. Goering told me that he had to make a long trip; that he would come back during September, and that he would then call me to see him in Berlin to discuss the further drawing up of the plan, and the allocation of materials.

Q. You spoke about Hitler's steps that he took concerning Czechoslovakia. In that connection, the prosecution offered Document 388–PS, Prosecution Exhibit 1041 * which is to be found in

* Exhibit 1041 was stricken from evidence on 26 January 1948.

book 51, the second part—it is a very thick volume. The prosecution asserted that from this document, which contained the so-called "Gruen" Plan, you should have known about that plan. It contained the directives of Hitler, which he issued on 30 May 1938, according to which he wanted to attack Czechoslovakia not later than 1 October 1938. Please tell me what you know about this document.

A. The contents of this document were not known to me in any way. It was a document known only to a very intimate circle of confidants, perhaps only the circle of the large General Staff, but it certainly had nothing to do with people from industry, such as myself.

Q. When did you learn about this document?

A. I learned about it here in Nuernberg.

Q. Another document in this connection—that is Document NI–7291, Prosecution Exhibit 471,* document book 22, on page 7 of the English, and also of the German. This concerns the aggressive war against Russia. The prosecution likewise asserts that in your position you should have known about the memorandum contained in this document concerning the effect of an eastern operation. Is that true?

A. This is not true at all.

Q. When did you learn about this document?

A. Also here in Nuernberg for the first time.

Q. In conclusion, what do you have to say, quite briefly, about your position as Plenipotentiary General for Special Questions of Chemical Production? How did this develop during the war?

A. The disposition of materials, and the direction of labor allocation, and the classification of priorities passed entirely to the OKW which was entirely predominant during the first part of the war. More and more we felt the influence of the Armaments Ministry under Todt; it was given decisive authority when Speer was entrusted by Hitler to direct the Armaments Ministry, so that the military concerns of the Army Ordnance Office passed entirely into the hands of the Armaments Ministry. Officers of the Army Ordnance Office were transferred to the Ministry of Armaments from where the entire direction of the armament program was carried out. Speer founded the Central Planning Board at that time, shortly after he entered the Armaments Ministry, from where the direction of raw material allocations was also carried out, and the requirements were also handled which the Karinhall Plan and the Reich Office needed.

Q. The last change in organization took place in Obersalzberg

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* Reproduced in 5 above.

after the discussion with Hitler that you have already described. Please tell me a few things about that?

A. Geilenberg was charged, upon Hitler's orders, with reconstructing and developing the plants coming under the Karinhall Plan. The entire direction was given to him and he also had full powers to give directives, which I never had. This meant that I had become a mere technical consultant, upon the express desire of Speer, who instructed Geilenberg to obtain my advice in chemical matters in advance, since Geilenberg was a very able engineer, but not a chemist.

Q. On the question of war of aggression, were you ever concerned with experiments about the atomic bomb, which would have been quite likely in your position as head of the Research Department in the Reich Office for Economic Development?

A. This certainly would have been very likely, because I was also a senator and a member of the Vorstand of the Kaiser-Wilhelm-Institut which carried out experiments for the production of the atom bomb, or rather—we had not gone as far as that—they first of all made experiments about the splitting up of uranium.

Q. Were you consulted or were you not?

A. In no way at all. On the contrary, the government instructed the Kaiser-Wilhelm-Institut to give me no information at all about these experiments. Moreover, in the case of conferences, when the Kaiser-Wilhelm-Association discussed the state of these experiments with the officers of the various branches of the armed forces, Party members, and so forth, perhaps with fifty, sixty, or even one hundred persons, I was not invited although I was a member, even a member of the Vorstand, of the Kaiser-Wilhelm-Association.

Q. The reasons for this attitude?

A. Of course, I wondered about this and I tried to find out the reason. The answer was: "You are well known as a man of international relations [sic], especially with United States firms, and it is feared that through some way, if you are informed, these experiments might become known to foreign countries, and that might, of course, compromise the secrecy."

And another reason: At the beginning, I had expressed my opinion about the development of the atom bomb. I considered the dangers the development of this problem would harbor, especially if this problem should fall into the hands of irresponsible persons. I could imagine that such a problem, which may perhaps some day become the curse of humanity, should be controlled most stringently and I had, at the time, explained to the President of the Kaiser-Wilhelm-Institut, in a personal conversation, that I

considered it irresponsible at such a stage to inform sections of the government about this state of affairs and the stage reached in the experiments—people who had no insight into the development of this problem and who treated it only from the propaganda angle as a means for making it known among the people and so prolong the war and even ask more sacrifices of the people that had already made enough. It was characteristic that during the last days of the war, 10 days before American troops entered Augsburg, the Gauleiter of Augsburg [sic], Swabia, said to his propaganda people that they should spread the information that Hitler was not ready to use his atomic bomb which would decide the war, although this, of course, was not true at all. That was another way in which they prolonged the war.

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CROSS-EXAMINATION

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DR. DUBOIS: Now, is it your contention, Dr. Krauch, that all of your activities in the Office for German Raw Materials and Synthetics, beginning in the latter part of 1936, were related to products to be used in peacetime?

DEFENDANT KRAUCH: That is correct.

Q. Now, did you consider the stockpiling of toluene for explosive factories in that category?

A. In exactly the same category; that was a product which was needed for military economy [Wehrwirtschaft].

Q. Well, my point is, did you consider the stockpiling of toluene for explosive factories as being a function related to products to be used in peacetime?

A. Toluene was a product that was used for various purposes, including war purposes. It has to be included in the category of so-called commercial war products. I said in the direct examination that, according to figures from the United States, for the eventuality of war, 700,000 different items are needed. Of the 700,000 items, over half are such commercial war articles, that is to say, they are not used only in war, but also in peace. That includes buna, oil, etc., and toluene is among these products.

Q. Well, I think we can get more directly to the point, Dr. Krauch, if I show you now Document NI-8840, Prosecution Exhibit 448.* It appears in book 21. English page 12, and I ask you to read paragraph 5. You will notice it says that:

"The former Office for German Raw Materials and Synthetics, at my request, as far back as the end of 1936, repeatedly

* Reproduced in part in 5 above.

directed the attention of the Wehrmacht to the urgent necessity of stockpiling. Already at that time, for example, I requested that considerable quantities of toluene be stocked up for the existing explosive factories. Measures taken to increase the production of toluene then had the result that the producers could not dispose of their products to the explosive factories, as the latter had no orders, and finally, the increased production had again to be stopped, because their warehouses were overflowing, as arrangements had not been made at the right time to provide tanks for stockpiling. The same is true of diglycol and oxol (as a preliminary product for mustard gas), where the few plants that actually existed were put to use for stockpiling only after my repeated insistence—in March/April 1937—or, in some instances, were even rendered workable."

Now, would you like to comment on that in the light of what you have just testified to?

A. The military authorities at that time wanted a so-called standby plant set up for all these products that you have just mentioned, so that in case the supply was consumed, which would happen in the event of war, they would have the opportunity to produce. It was possible, in addition to the usual production of toluene by coking, to produce it synthetically. This method did not seem sound to me, so I suggested that toluene be stockpiled. That it was necessary to produce toluene in large quantities for the event of war was seen after the outbreak of war, when a large-scale plant for the production of toluene from benzol and methanol was rashly started. Because of lack of experience, it took years before this factory actually went into operation. In order to prevent inefficient processes as were demanded by the military, it was suggested that toluene be stockpiled. I always thought that this toluene would be used for the peacetime economy too. If I had been thinking only of war, I would have had to insist that the finished explosive—that is, TNT—be produced from this toluene, which would then be ready for the event of war. That was my attitude. The same thing applies to diglycol, which can also be used for several purposes for peacetime purposes and as a war article. Here, again, I considered it better, under the circumstances prevailing at the time, to stockpile this product too, so that it could be used for peacetime purposes at any time; or if there should be a war, it could be used for war purposes. Since, in my opinion, there was no prospect of war, the method which I suggested was the correct one.

Q. Now, in your testimony, you spoke of the construction of the West Wall, as an urgent project requiring a great deal of building

materials, as interfering to some extent with the Karinhall Plan, and you declared the West Wall was constructed for defensive purposes. Now, in what sense do you consider the construction of the West Wall for defensive purposes?

A. It was intended for the event of war, in case an attack was made on Germany from the West. Here, in the West, were the industrial centers of the German Reich, and it was quite in line with the idea of defense for a wall to be built here to protect these industrial areas. A similar measure had been taken by the French. Immediately after the First World War, they built the Maginot Line against an attack from Germany. The West Wall is approximately equal to the Maginot Line as far as its defensive capacity is concerned.

Q. Well now, you recall that you testified that in the speeches of Goering and Hitler, in December 1936, they stressed the danger of invasion from the East and discussed precautionary measures to be taken now, in the light of this. How did you reconcile, in your own mind, the fact that a West Wall was erected for what you describe as "defensive purposes," and that no comparable wall was erected in the East?

A. Germany, in the First World War, had experienced the terrible consequences of a two-front war. I am not a military man, and I cannot judge the line of thought of the General Staff. I can speak only as a layman. But it is possible that it was considered that in the East the terrain was not quite so suitable for the construction of such a wall. As far as I know, and I know very little about the matter, mountains, rivers, and so forth are necessary on which defenses can be based. Perhaps the situation was not so good in the East as in the West. Perhaps the General Staff intended to rely on pure defense in the West, a so-called static warfare similar to that of the First World War, and to have mobile warfare in the East when attacked—as the mode of defense.

Q. Now, in discussing your conference with Goering in June 1938 you spoke, I believe, of a conference which Bosch had had with General von Brauchitsch and General Beck, who had advised Bosch that they feared that the Nazi foreign policy would lead to war, and you described Bosch's attitude that a war would be untenable from the point of view of the German economy. Is that right?

A. Yes, that is correct.

Q. To your knowledge, did Bosch ever express this attitude to other officials of Farben?

A. I cannot say that with certainty. At that time, in view of my position, I had no regular contact with other members of the Vorstand. I can only say that Brauchitsch—that is, Field Marshal

von Brauchitsch—remembers that conversation very well; and General Beck, who lost his life in connection with the 20th of July events, is no longer available as a witness.

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b. Testimony of Defendant Ambros

EXTRACT FROM THE TESTIMONY OF DEFENDANT AMBROS*

DIRECT EXAMINATION

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DR. HOFFMANN (counsel for defendant Ambros): Mr. Ambros, I believe it is important to ascertain what your inner conviction was when you produced these intermediates, and can you tell us specifically what your intention was? Did you intend to produce these intermediates for war or for peaceful purposes?

DEFENDANT AMBROS: When I became head of the Intermediate Department at Ludwigshafen, we made only peacetime products, and that is the nice thing about chemistry. My own inclination was towards peacetime products. Only later a part, a small part, and later a big part, was taken away for war products, but that wasn't my responsibility. That was an order.

Q. Couldn't you oppose these government orders? Did you have any reason to do so?

A. No, I could not oppose them. It has been demonstrated by Mr. ter Meer that one day all production was registered, and that then the Reich agencies drew up programs, and the management became more and more insignificant as a private enterprise and became agents of the Administration.

Q. How was this steering done?

A. This steering consisted of monthly "Herstas." That is an abbreviation for "Herstellungsauftraege" [production orders]. That meant Berlin knew what my apparatus could produce. Berlin knew what could be produced; and now, there came the orders that plant X has to produce so-and-so much during the next month. That was a production order or "Hersta."

Q. Were you, yourself, not in part involved in this steering by the state, as the head of a technical committee [sic] or in some other function? Did you have any part in this state steering?

A. No, but I was called upon as a consultant. The organization, for example of the Economic Group Chemistry, that is, the representative of industry, selected me as a buna expert, and when one

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* Further extracts appear above in section V B 4, below in subsection K 6, and in sections VIII, subsections D 4 and E 4, and IX F 4, in volume VIII, this series.

has built all the buna plants, one has to continue to work in the field where one is an expert.

Q. Mr. Ambros, I am very much interested in knowing whether on the one hand you can say "I was ordered by the state to have a certain quota production"; for perhaps on the other hand you, yourself, had some state position and ordered this production quota.

A. I can answer that very clearly. I was never in any state organization. I was no state official.

Q. Now the prosecution has submitted a document in book 20, Document NI–5687, Prosecution Exhibit 438, a letter of 27 June 1938.[1] Do you remember this letter?

A. Is this the letter to Krauch?

Q. Yes.

A. Is this the letter—I don't have it here—where it was debatable whether it is a letter at all?

Q. We have discussed it here already. I asked the witness about it. This letter has no signature and no address.

A. Yes, I know. According to my recollection, that was an exposé [memorandum] for me. It did not go out as a letter to Mr. Krauch, as he himself confirmed from this witness stand.[2] I would have used some form of address in writing to Krauch. I would not just write, "Professor Krauch"; and I would have signed it. I would also have observed outward appearances and would have filled all the pages in a similar way, but I hear that the original shows pages of different lengths. But quite aside from all that, I will be glad to explain the contents of this letter because I believe it contains ideas that I actually held at that time.

Q. Mr. Ambros, first of all I merely want to ask you, was this letter, or a similar one, ever sent to Professor Krauch?

A. No, as far as I can remember, it was not.

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Q. Mr. Ambros, we stopped yesterday with the discussion of a letter submitted by the prosecution which bears the name of Director Dr. Krauch at the head but which was not signed. I am referring to Exhibit 438, in book 20, page 82 in the English. Do you have it?

A. Yes.

Q. Please comment briefly on this letter—page 82 of the English book.

A. Even if this document was not sent out, I would like to say something about the ideas expressed in this draft. Under "a," it is said that in the year 1938, industry was greatly overburdened;

[1] Reproduced in 5 above.

[2] See testimony of defendant Krauch reproduced in immediately preceding subsection.

it was working to promote exports and received many Four Year Plan projects. I believe that I recall that Professor Krauch said to me once: "What is your impression? How is it in the administration?" In reply, I recorded here, "There is a great deal of confusion." The entire letter is very frank criticism. I say here that I missed cooperation between the Reich Office for Economic Development and the many Wehrmacht agencies. I also gave some examples which are interesting in other respects. I say, for instance, that in the middle of 1938, one person wants to stock up on diglycol, but the Army is closing down diglycol plants. Apparently there is no armament program if that is the case. I also say, referring to Schkopau, one party is building, but the other party won't give any money. After all, it is a diglycol plant. In referring to Trostberg, I say: "Isn't it senseless to give a company (that is, Organid G.m.b.H.,) an assignment to build poison gas facilities, while I.G. Farben, which does not do that but produces only a preliminary product, is not doing anything yet?" I also say: "This competition for quotas is impossible. Couldn't you in Berlin get some order here?" This is criticism which I am exercising and which Professor Krauch probably wanted from some one working both for export, peacetime economy, and also for the armament program.

Q. Mr. Ambros, I am interested, first of all, in this: you do not deny that you drafted this letter?

A. No, I think it is much too nice.

Q. Mr. Ambros, whether you think it is nice or not is beside the point. I think you have had enough time to explain it now, and this is what I want to ask you:

In what sense did you mean this letter—as an official adviser of someone in the government or some person, perhaps; or is this letter the expression of your private opinion?

A. I was never an official in any government agency. This is the expression of an opinion of a private businessman who is asked by an official agency "What do you think; what is the situation?" Perhaps I dictated this letter as one does to get clarity in one's own mind. I only know now—and Mr. Krauch confirms this—that it was never sent out. Probably it was found among the drafts of my letters.

Q. Now Mr. Ambros, did you realize at the time, or do you believe at all, that this draft of yours had any influence anywhere—let us say, on the Karinhall Plan?

A. No, it could not have had any influence because, first of all, the Karinhall Plan was nothing new. The Karinhall Plan, as has been shown here, was only a new formulation of existing plans which had partly been drawn up by the OKH in connection with

rearmament, which the Raw Materials and Foreign Exchange Staff had drawn up in the program of saving foreign exchange. And I believe there were some points which went beyond Germany, according to what we heard here.

Q. Now another question, Mr. Ambros: Did you have any influential position in the organization of the Reich offices as set up in 1938, or were you completely outside this official organization?

A. I was outside this official organization. I was not [acting] in any official capacity.

Q. In individual cases, as for example, apparently here as in diglycol or the poison gas field, or buna, were you approached only as a chemist informed in this field, or as an organizer?

A. I was approached as *the* chemist who at that time was building the first two buna factories; or I was approached about diglycol as *the* chemist in Germany who was in charge of ethylene chemistry, which I took over from my predecessor, Dr. Schumann, from 1934; and before the war I was connected with poison gas, with the group of ethylene derivatives, because I am an ethylene chemist.

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Q. Now you were also on the Special Committee "C." This was only formed in 1943, and if the development of chemical warfare agents was concluded in 1943, then I would like to know why this Special Committee "C" was founded in 1943, and what was its mission?

A. In 1943, the organization of the representatives of industrial economy was set up, and in this organization there was a Central Committee for Powder and Explosives.

Q. Mr. Ambros, I would like to interrupt you briefly, and I would like to introduce Ambros Document 5, Ambros Defense Exhibit 5.* On the basis of this sketch, which is on page 37 of the English document book, please explain the position of the Special Committee "C." Do you have this?

A. Yes.

Q. Where is this Special Committee "C" on this picture?

A. At the bottom, on the right. The sketch shows in its upper half the ministerial level, and in the lower half these representatives of the private industrialists. In the Central Committee, Powder and Explosives, there were subcommittees, and one of these subcommittees, one of hundreds of them, was Committee "C."

Q. All right, Mr. Ambros; now I come to a point which seems

* Not reproduced herein.

important to me, the fact that from 1943 on, you were the director of this Committee "C." Did that lead to expressing your opinion as an expert on some occasion, and what occasion was it?

A. On 15 May 1943, as the last conference, there was a discussion with Hitler and this concerned the treatment of the chemical warfare agents.

Q. Were you alone?

A. Shortly before this date I was notified by telegram by the Armament Ministry, and I was told to come to Berlin, and I was taken to the supreme headquarters in East Prussia by airplane. There were representatives of the General Staff, Speer, Schieber, and various directors of central committees from the armament industry.

Q. And what did Hitler want from you?

A. As the last point on the agenda of this conference there was a one-hour conference about the situation in the poison gas field. Mr. Speer and Mr. Schieber reported, first of all, about the military aspect, about the general situation, and then I was given the floor; and I showed, on the basis of a table: (*a*) the requirements of poison gases by the General Staff, (*b*) the actual production, (*c*) the stocks. Thus, I discussed objectively all types and described the situation as it was.

Q. Did Herr Hitler ask you—one could practically gather this—whether one could use poison gases, or what was the situation?

A. The first reaction was a disappointment, since, in most types, not even half of the requirements of the General Staff had been met. There followed a discussion about the reasons for this, and he asked the question: "What is the other side doing?"

Q. Before that, I would like to ask you a question. Did you have the impression as if Hitler wanted to use the poison gases?

A. No, Hitler himself did not, but around him there were people who did.

Q. Well, go ahead, please; describe to us what happened at this conference.

A. He discussed the main types, always with a point of view of "How does it look on the other side?" and I reported objectively that, for example, in the Lost [mustard gas] field, countries which have a lot of ethylene would perhaps have the possibility to produce larger quantities of these substances than we could. Thereupon he said: "I understand that the countries with petroleum are in a position to make more, but Germany has a special gas, Tabun. In this we have a monopoly in Germany." At that moment I said: "I have justified reasons to assume that Tabun, too, is known abroad. I know that Tabun had been publicized as early as 1902, that Sarin was patented, and that these substances

appeared in patents," and I said, "I am convinced that other countries, in case the German side might use these gases, would very shortly not only be able to imitate these special gases, but even produce them in much larger quantities."

(Recess)

Q. Mr. Ambros, before the recess we were talking about this conference with Hitler in May 1943. Is there anything important to say about this conference other than what we have already said?

A. During this conference an expansion was also discussed which the OKH had suggested for Tabun. This plan was to be put into execution, but a few months later it was withdrawn.

Q. Mr. Ambros, we can draw our own conclusions about your attitude at this meeting. I do not want to go into that much further. I have another question in this connection. You said that certain circles, or certain people in Hitler's entourage, would have been glad to use poison gas. Do you have any indications that after you took an objective point of view at that time you were not doing these people a favor and that later attempts were made to gain your assistance?

A. In August 1944, I was called to Mr. Speer, and again there was a suggestion from the people who wanted gas warfare, but the situation was exactly the same, and my attitude was exactly the same again about the objective of a technical expert. Speer had the same attitude, and so it was again possible to prevent the use of this terrible weapon.

Q. Mr. Ambros, for absolute clarity on this point: your point of view was objective?

A. Yes.

Q. In addition to that, did you tell the people who were in favor of gas warfare that you were against it, or was that not possible, or did you think it advisable not to do so in your own interests?

A. Those who were in favor of it were Ley, Goebbels, and Bormann. I did not know any of these men. I did not speak to any of them, and I never spoke to Hitler again.

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H. Farben's Liaison Office Wehrmacht (The "Vermittlungsstelle W") and Mobilization Planning

I. INTRODUCTION

Under the major subdivision "B. Farben Synchronized All of Its Activities with the Military Planning of the German High

Command," count one of the indictment dealt principally with the establishment and functioning of a special Farben agency, the Liaison Office Wehrmacht, and mobilization planning. During the trial, the Liaison Office Wehrmacht was frequently referred to by its common German title, "Vermittlungsstelle W," without any translation. Considerable evidence on the specifications of this subdivision of the indictment is also reproduced in later subsections.

The materials in the present subsection are arranged as follows: contemporaneous document (2 below); testimony of defense witness Huenermann, Chief of Staff of the Military Economics Staff of the High Command of the Armed Forces (3 below), and testimony of five defendants, Krauch, ter Meer, Buergin, Kuehne, and Wurster (4 below).

2. CONTEMPORANEOUS DOCUMENTS

PARTIAL TRANSLATION OF DOCUMENT NI–2747 PROSECUTION EXHIBIT 99

DR. EICHWEDE'S NOTES ON VERMITTLUNGSSTELLE W[1]

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VERMITTLUNGSSTELLE W (Liaison Office Wehrmacht)

Since 1934, conferences and discussion with various military offices and authorities in Berlin became more frequent and urgent. At the meeting of the Central Committee at Ludwigshafen on 2 September 1935, it was decided to create, effective 1 October 1935, a Liaison Office W (Wehrmacht) in Berlin which was to take over and to maintain the connection between the three Sparten of IG and the military authorities. In a letter to ter Meer dated 5 September 1935,[2] Dr. Krauch indicates that Sparte I was represented by Dr. Ritter and thereafter also by Dr. Eckell. For Sparte II, Dr. von Bruening, Hoechst, will be sent to the "Central Office for Questions of Military Economy and Policy" [Zentralstelle fuer wehrwirtschaftliche und wehrpolitische Fragen]. By Dr. Gajewski's letter of 7 November 1935 to the plants of Sparte III, Dr.

[1] At the instruction of Dr. Ernst Struss, chief of the Office of Farben's Technical Committee, Dr. Eichwede compiled elaborate notes on various aspects of Farben's history. These notes were made before the German collapse and are therefore contemporaneous documents. The introduction to the actual notes states: "Notes on the Founding, Development, Organization and Members of TEA—Sparte II—and Committees of the I. G. Farbenindustrie up to the end of 1943, Volume I; TEA and Sparte II—Committees (including Dyestuffs Committee) and Commercial Committee, Volume II; Personal Data, Volume III. Prepared by order of Dr. Struss by Dr. Heinz Eichwede."

[2] On 5 September 1935, Krauch sent a circular letter (*NI–4702, Pros. Ex. 101,* reproduced immediately below) to a member of Farben plants and branches.

Meyer, Wolfen-Film, is appointed for this division. For reasons of efficiency, the office work of Vermittlungsstelle W, Sparte III, is to be taken care of at Wolfen-Film.

Circular, Frankfurt, 2 January 1936 (signed ter Meer and Selck), states that, under the management of Mr. Merbeck, a *Department (Abteilung) A for counterintelligence* (espionage, sabotage, betrayal of industrial secrets, etcetera), will be located at Leverkusen, and is attached to the Vermittlungsstelle. On 1 January 1944, part of the functions of this department A will be taken over by the (today) newly founded Office A of the Chief Counterintelligence Agent [Hauptabwehrbeauftragter] of the IG, Director Dr. Schneider, Leuna, or his deputies, Dr. Dieckmann (technical), Dr. von der Heyde, or Dr. Ruediger (commercial). The other counterintelligence functions of Vermittlungsstelle W will be taken care of by the Berlin Office; [Abwehrbeauftragter] Dr. Diekmann; deputy, Dr. Gorr.

As per letter of 30 June 1936, Dr. Ritter and Dr. Eckell will be replaced, as they were assigned other duties (Dr. Eckell has transferred to government service), by Dr. Diekmann and Dr. Pfaundler for Sparte I; and on 1 December 1936, Dr. von Bruening, who will return to the Hoechst Plant, will be replaced by Dr. Gorr, Hoechst, for Sparte II.

A letter from Dr. von Schnitzler and Dr. Ilgner, of 3 February 1938, to the Reich Ministry of Economics, the Prussian Ministry of Economics, and to the Reich Ministry of War, expresses the following:

"For military-economic questions and tasks as far as all affairs of the individual IG plants are concerned, the following offices are hereby listed: The Vermittlungsstelle W for control of raw material planning and distribution of production, shipping and stockpiling of raw, intermediate, and finished products, as well as for the service exemption of the necessary personnel; and the Political-Economic Policy Department [Wirtschaftspolitische Abteilung], Berlin NW 7, for matters in the commercial sphere, for example, personnel and requirement estimates within the country and abroad, increase of export, changes of exports, stockpiling of external stores, promotion of sales, and so forth. Provisions have been made that in all military-economic matters, close contact will exist between Vermittlungsstelle W and the Wirtschaftspolitische Abteilung.*

From 1 October 1935 to 30 April 1937, the Vermittlungsstelle W was located in the administrative building of the Laenderbank

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* A discussion of the task of Vermittlungsstelle W and WIPO with respect to this same question took place at the meeting of Farben's Commercial Committee on 20 January 1938. See Document NI-7621, Prosecution Exhibit 250, reproduced in part in 2 below.

(Berlin NW 7, Unter den Linden 78), in three, later on in five rooms; and since 1 May 1937, in the building of Igerussko, Dorotheenstrasse 34, in twelve rooms; later on, because of personnel increase and inclusion of the offices of Senior Engineer Wolf (extension of Huels and Schkopau) and Zeikra (communications plan in case of mobilization) in 23 rooms. On 30 November 1939, the office moved to Berlin SW 68, Kochstrasse 73, with 37 rooms. Post office as before: Berlin NW 7.

Managers of the Vermittlungsstelle W have been:

	Sparte I	Sparte II	Sparte III
From 1 Oct. 1935	Dr. Ritter	Dr. von Bruening	Dr. Meyer
From 9 May 1936	Dr. Diekmann	Dr. von Bruening	Dr. Meyer
From 1 Apr. 1937	Dr. Diekmann	Dr. Gorr	Dr. Meyer

Officially, the gentlemen of Sparte II of Vermittlungsstelle W were placed, some time before the war, under Dr. Struss of the TEA office.

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TRANSLATION OF DOCUMENT NI–4702
PROSECUTION EXHIBIT 101

CIRCULAR LETTER SIGNED BY DEFENDANT KRAUCH, TO PLANTS AND AGENCIES OF FARBEN'S SPARTE I, 5 SEPTEMBER 1935, CONCERNING VERMITTLUNGSSTELLE W

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

Nitrogen Management — Ludwigshafen on the Rhine
5 September 1935

Amoniakwerk Merseburg G.m.b.H.

Attention Dir. Dr. Schneider — Leuna Works

[The distribution list at the beginning of this document shows that this circular was sent to nine other plants, mines, or agencie of Sparte I: two departments or addresses at the Bitterfeld plant; Department "N" at Wolfen; Department "N" at Frankfurt-Hoechst; I. G. Bergwerke; Gewerkschaft Auguste-Victoria; Oil Department of Farben's Berlin NW 7 Office; Department "N" at the Oppau plant; and Badammon (attention of the defendant, Oster). Badammon stands for "Badische Ammoniakwerke." This department handled and supervised Farben's agreements with members of the Nitrogen Syndicate (Stickstoff Syndikat G.m.b.H.) and was the liaison office with Farben's nitrogen plants. (See affidavit of Dr. Ernst Benn, Document Oster 19, Oster Defense Exhibit 18, not reproduced herein.)]

Re: Central Office for (all) *Questions of Military Economy and Policy*

The Central Committee has determined to create a *Vermitt-*

lungsstelle (W) in our place of business in *Berlin NW 7, Unter den Linden 78,* in order to provide for systematic cooperation within the IG in view of the current development of military economy, and particularly to assure centralized treatment of the questions of military economy, military policy and military technique. The projects for Sparte I were already started some time ago by Dr. Ritter.

From now on all correspondence—even about matters still in abeyance—with the Reich Ministry of War and its offices, such as the Army Ordnance Office etc., the Navy Office and its offices, such as the General Naval Office etc.; the Reich Air Ministry and its offices, such as Air Command Office 3; the Experimental Station for Aviation, as well as the air-raid protection offices etc.; further with the appropriate central air-raid protection office of the Reich Group Industry; and for military-economic questions, with the Reich Ministry of Economics also, is to be addressed exclusively to the Vermittlungsstelle (liaison agency) and a copy of the correspondence is to be included at all times.

Requests, and/or agreements about personal discussions at these places, or invitations to inspections or similar things, as well as ideas or proposals for military-economic or military-technical matters, are also to be addressed to this office. Vice versa, all questions concerning the IG shall, from now on, be passed on from these authorities to the liaison agency, from where they will be sent to the competent IG offices.

The liaison agency, in agreement with the Sparte chiefs, will contact the individual plant leaders directly in the near future, and, as far as this has not been done yet, prepare for cooperation with the Economic Inspectorates and/or with the district officers for economic matters of the competent spheres, and make investigations about the cooperation of the plants with the central authorities and the local offices in the field of military economy.

The liaison agency is authorized to inspect all relevant matters.

The liaison agency is ready to give any information about and act as mediator in military-economic and military policy questions, which are part of its sphere of work and include the following:

Investigations about production.
Plans for production.
Economic mobilization plans.
Plans for the supply of raw materials.
Plans for storage.
Questions of transport.

Assuring the supply and/or movement of labor.

Air raid protection—counterespionage—sabotage prevention.

Patent questions.

The address of the liaison agency is: I.G. Farbenindustrie A.G. Vermittlungsstelle (W), Berlin NW 7, Unter den Linden 78. Phone: A 2 Flora 0021.

We request that you inform those of your offices which are concerned confidentially about the contents of this letter.

I.G. Farbenindustrie A.G.
Signed: KRAUCH
Signed: FAHRENHORST.

TRANSLATION OF DOCUMENT NI–4627
PROSECUTION EXHIBIT 139

CIRCULAR LETTER OF DEFENDANT TER MEER, 26 SEPTEMBER 1935, ANNOUNCING THE CREATION OF VERMITTLUNGSSTELLE W AND THE APPOINTMENT OF VON BRUENING AS REPRESENTATIVE OF SPARTE II TO THE VERMITTLUNGSSTELLE W

I.G. Farbenindustrie Aktiengesellschaft Frankfurt (Main) 20

Office of the Technical Committee 26 Sept. 1935

[Stamp] Management Department
Leverkusen
28 Sept. 1935

Confidential

Subject: Central office for (all) Questions of Military Economy and Policy *

At its last meeting at our Berlin address, Unter den Linden, the Central Committee decided to create a Vermittlungsstelle (liaison office) to centralize the work dealing with all questions of military economy, military policy, and of a military technical nature in connection with the planned development of the Military Economy [Wehrwirtschaft].

Dr. Ritter, who has been working in Berlin for some time and has gotten in touch with all the military authorities concerned, has been appointed as head of Sparte I.

Herr Dr. G. von Bruening will take over these tasks for Sparte II and will arrive in Berlin in the very near future. You will be notified by the Office of the Technical Committee as to the date when the Vermittlungsstelle will commence working. Details of

* The letter shows distribution to Farben's four Works Combines (Upper Rhine, Middle Rhine, Lower Rhine, and Central Germany), to the defendants Mann and von Schnitzler, and to Vorstand member Weber-Andreae.

its sphere of activity will be discussed at the next Sparte meeting to be held on 16 October.

Please communicate the contents of this letter confidentially to all offices concerned.

Received 7 October

[Signed] DR. TER MEER

TRANSLATION OF DOCUMENT NI–2638
PROSECUTION EXHIBIT 140

LETTER OF VERMITTLUNGSSTELLE W CONCERNING ITS PURPOSE AND TASKS*

CONFIDENTIAL

I.G. Farbenindustrie Aktiengesellschaft
Liaison Office W [Vermittlungsstelle W]

Berlin 31 December 1935

Development of the work of the Liaison Office W [Vermittlungsstelle W]

With the creation of the Wehrmacht, the entire German industry was given the task of bringing its plants and its organizations in line with the building up of the defenses of the country, which meant to reorganize its existing plants and offices from the point of view of military economy.

The newly founded Vermittlungsstelle W has as its task the unifying and coordinating of these matters within the IG organization. The aim of this work is the building up of a tight organization for military economy in the IG which could adapt itself without difficulty to the existing over-all organization of IG and of the individual plants.

In case of war IG will be treated by the authorities concerned with military economy questions as *one* big plant which, as far as it is possible to do so from the technical point of view, will settle its problems concerning military economy independently without any organizational influence from outside.

1. The work in this direction was in principle agreed upon with the Ministry of War [Reichskriegsministerium], Military Economics Office [Wehrwirtschaftsamt], and from this office with the Ministry of Economics.

In close collaboration with the Ministry of War, it was pro-

* In an affidavit attached to this exhibit, Dr. Struss, chief of the Office of Farben's Technical Committee, stated that this document came "from the files of I. G. Farbenindustrie A.G. and was drawn up by Dr. Ritter in collaboration with Professor Krauch. This document could only have been signed by Professor Krauch, as Dr. Ritter had no authority to sign."

vided that the work of the IG should conform with the general development and be conducted in accordance with the directives and requirements of the authorities.

In the Vermittlungsstelle W, all armament projects of the plants of the three Sparten are coordinated. An agreement has been made with DAG (Dynamit A.G.) to the extent that DAG only works with the Vermittlungsstelle on questions concerning the supply of raw materials and plans; questions dealing with expansion, etc., will not be handled by Vermittlungsstelle W.*

In addition to preparatory organizational work and long-range planning, the sphere of activity of the Vermittlungsstelle will include continuous cooperation with government authorities and Farben agencies in military-economic and military-technical matters.

A. Long-Range Planning

1. Plans for mobilization.

a. Central office of Farben (Distribution of Products). In order to assure, in case of war, maintenance of production by Farben, a central office will be set up. This office should utilize the existing Sparten organizations and would act as a connecting link with government offices. The most suitable form for this organization should be found by experimenting with different schemes. Such experiments, which should demonstrate the work of this contemplated office, are in preparation for Sparte I in the nitrogen field.

b. Individual Farben Plants (Maintenance of Production) to secure from the outset the concentration of all armament and technical questions in the different plants already during the time of development, a managing staff [Fuehrungsstab] was appointed in each plant of the three Sparten. The same is intended for the commercial offices and the centralized administration, although the most suitable form for these organizations will only be found after outbreak of war and by the experience gained in the war. This staff was set up in the different plants in close connection with the existing organization of the plants. The manager of the plant should be, in principle, the man who, alone, is responsible for all the armament questions and questions connected therewith. Most of the plant managers have been informed of armament developments, and production plans have been drawn up as far as this was possible in the present state of development.

To prepare the members of this staff for the decisions which must be taken in case of war, it is necessary to exercise by

* Concerning the relationship between Farben and its subsidiary company DAG, see subsection M below.

means of technical map games [betriebstechnische Planspiele], in the plants.* In these games, all the possible disturbances and their effects on production and the appropriate measures which would have to be taken to assure the most important production, should be taken into consideration.

These preparations *are* of use even in normal times, especially in cases of a catastrophe. It is planned that the plant air-raid organization recently formed be taken into the new set-up as it is an organization which will be active in case of disaster.

These measures adopted for armament should lead to a uniform organization under the leadership of the plant manager in each of the Farben plants which will combine all armament and technical questions including protection against disasters and air raids, and which can be used in normal times whenever any disturbances may occur in the plants.

2. Working out plans for mobilization.

The aim is to work out plans for mobilization for all plants in close cooperation with the military economic authorities. These plans will be considered under the presumption that Farben takes the necessary measures in its plants to fill the "Mob-orders" (mobilization orders). In cases concerning the demand of raw material or finished products from outside, and in questions of labor and transportation, each of the plants of IG works (just like every other industrial plant) with the local government offices.

Attempts were made to determine the prospective particulars for production in the different Farben plants in case of war. Only in very few cases which dealt with especially important products for the war, one could get a clear picture of the necessary requirements. It will take a considerable amount of preliminary work until one will be able to see clearly the actual requirements in case of war.

A scheme for mobilization for war (technical part), based on present information, was set up in order to have a valid plan for the IG works (chemical industry). We can expect that the authorities will give, at a later date, only an indication for the execution of that part of the scheme which has purely the character of a timetable, the presumable structure of which has already been taken into consideration.

B. Continuous Completion of Projects

The continuous developmental work in the field of armament and technical questions connected therewith was fixed and agreed

* See subsection J, "Air-Raid Precautions," below.

upon (in further collaboration with Vermittlungsstelle W). Contact is made with most of the Farben personnel concerned and with the governmental departments.

1. *Developmental work*—A large number of projects is already settled or is being processed.

2. *Contract, licenses, and exchange of experience*—On request of Dr. Krauch and Dr. von Knieriem, the Ministry of War created an office which deals with the above questions for the Wehrmacht. A number of questions have already been taken up and cleared with this office.

3. *Patent questions and secrecy*—Induced by Dr. von Knieriem, Farben will take up all the questions concerning patents in the armament field through Vermittlungsstelle W. Vermittlungsstelle W has, and will continue, to settle patent questions.

4. *Visit in government offices, inquiry in plants*—It was agreed with the plants that Vermittlungsstelle W will be informed of announced visits or inquiries by government offices in order to be able to take part and evaluate the discussion. Some visits were initiated and evaluated.

5. *Preventive measures against espionage and sabotage*—On recommendation of Professor Selck, a "Department A" was created within Vermittlungsstelle W, which is at the service of all IG offices for questions concerning counterintelligence and questions of the security service in plants (manager: Merbeck of Leverkusen). It was agreed with the Ministry of War that contrary to the general rules, exchange of experience and assistance concerning counterintelligence measures inside Farben can take place through Department A. A uniform evaluation and treatment of cases is thereby guaranteed, and the plants which have no counterintelligence personnel have the possibility of making use of the experience gained elsewhere within Farben for their own work and to settle the questions coming up in a proper way.

TRANSLATION OF DOCUMENT NI–4979
PROSECUTION EXHIBIT 145

CIRCULAR LETTER ON THE ESTABLISHMENT OF A BRANCH FOR COUNTERINTELLIGENCE (ABWEHR) MATTERS WITHIN FARBEN'S LIAISON OFFICE WEHRMACHT

[The distribution list on this letter shows that it was sent to 39 different individuals at numerous Farben plants or offices, and that the following defendants were on the distribution list: Hoerlein, von Knieriem, Kuehne, Mann, Oster, von Schnitzler, and Schneider.]

I.G. FARBENINDUSTRIE A.G. Frankfurt/Main
2 January 1936

Confidential

Subject: Liaison Office Wehrmacht

1. In addition to the circulars concerning the creation of the "Vermittlungsstelle W" in Berlin, we inform you that we have annexed to this office a *Department A* for counterintelligence matters (against espionage and sabotage). Mr. Merbeck will be in charge of this section.

2. Special counterintelligence agents [Abwehrbeauftragte] have been appointed in certain IG plants. These agents, together with the competent local authorities and counterintelligence agencies, handle, under their own responsibility, counterintelligence cases arising in their respective plants.

Owing to a directive that these counterintelligence agents are to keep secret from other IG agencies all counterintelligence matters, it has been agreed upon with the Reich War Ministry, in order to support and further this counterintelligence work, that, within the IG, the plant counterintelligence agents may exchange information and experiences with the plant manager and counterintelligence agent of Department A in the following manner.

According to this, the plant counterintelligence agents are to report to *Department A* on all espionage and sabotage matters, in order to support the handling of the case on the basis of material assembled at the central registry (Leverkusen). This report will be withheld only if, in exceptional cases, the local military counterintelligence office, on its own initiative, decides otherwise.

The counterintelligence agencies have been informed of this regulation by the Reich War Ministry.

3. In IG Plants or other IG agencies which do not have a counterintelligence agent, espionage or sabotage cases will be handled in accordance with a special regulation which will be

agreed upon by the head of Department A together with these IG plants and agencies.

In any case, these Farben plants and agencies will report immediately to Department A, as in Article 2.

4. In view of the future military-economic developments, Department A is at the disposal of all IG plants and IG agencies for any information in counterintelligence and security matters, and will take care, if necessary, that information be exchanged.

The head of Department A is the counterintelligence agent for general counterintelligence matters of the IG and for such matters as do not concern individual IG plants or IG plants and IG agencies for which no counterintelligence agents have been appointed, and for special cases.

5. *Correspondence with Department A*

a. The general mail will be addressed to:

I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W
Berlin NW 7, Unter den Linden 78,
(inside envelope: Department A, Mr. Merbeck or his deputy)

b. In urgent cases which may need immediate handling based on the counterintelligence records (in Leverkusen), including *all cases of espionage and sabotage suspects,* the mail will be addressed to:

I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W
Leverkusen—IG Plant
(inside envelope: A, Mr. Merbeck or his deputy)

c. The following mailing regulation issued by official authorities applies to counterintelligence matters: All *documents* must be marked "confidential" (that is, if addressed to the authorities same as "secret"). They are only to be sent "registered" in double envelopes. The *outer envelope,* must bear only: "Registered" Vermittlungsstelle W * * *, and not "secret," "confidential," "personal," etc. *The inner envelope,* which is to be pasted to the inner back side of the outer envelope, will be addressed: "Department A, Mr. Merback or his deputy." The inner address is to be written with an indelible pencil if possible. If letters are of particular importance, receipt will be acknowledged to the dispatcher by regular letter.

6. The IG Central Security Office in Leverkusen will continue to operate in accordance with the general directive of 13 April 1935 of the Reich Ministry of Justice "Directives for Criminal Procedure," i. e., for illicit trade, etc. (formerly unauthorized

export), falsification of goods and betrayal of business and manufacturing secrets, which are to be prosecuted in accordance with Article 17, 18, and 20 U.W.G. and any other incidents so far handled together with this central agency.

I.G. Farbenindustrie Aktiengesellschaft

[Signed] SELCK

[Signed] KRAUCH

PARTIAL TRANSLATION OF DOCUMENT NI-13564
PROSECUTION EXHIBIT 2112

LETTER FROM THE NITROGEN MANAGEMENT OF FARBEN TO FARBEN'S LIAISON OFFICE WEHRMACHT, 14 JANUARY 1936, ENCLOSING AN OPINION FOR THE REICH MINISTRY OF ECONOMICS ON A NITROGEN PROJECT AND THE AVAILABLE NITROGEN CAPACITY OF EXISTING PLANTS IN RELATION TO NORMAL AND WAR REQUIREMENTS

Nitrogen Management [1]

I.G. Farbenindustrie Aktiengesellschaft

Liaison Office Wehrmacht (Vermittlungsstelle W)
Attention Dr. Ritter

Berlin N.W. 7, Unten den Linden 78

14 January 1936/G.

Projects Office Dr. Schl. [Dr. Schlecht]

Subject: Nitrogen Project of the Untere Isar A.G.

Today we refer to your letter of the 3d of this month concerning the above-mentioned matter, and enclosed we send you a statement of our opinion concerning this project for the Reich Ministry of Economics, in four copies as requested.

As concerns the statement on the nitrogen capacities existing in Germany, and in consideration of the CIA [2] estimate on which the distribution of quotas is based, we have refrained from attaching our statement, sent to Dr. Oster in our letter of 7th of this month, with enclosures showing the comparison of the CIA capacities with the present production capacity of the German plants, or even mentioned the latter. In our opinion, the figures given in this comparison should only be mentioned verbally, for instance on the occasion of a discussion of this problem.

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[1] The Nitrogen Management (Stickstoff-Direktion) was a production department of Farben located at Farben's Oppau plant. It was not a part of the Nitrogen Syndicate.

[2] CIA—Convention Internationale Azote (the Nitrogen Syndicate).

We ask you to keep us informed of the further progress of this matter.

I.G. Farbenindustrie Aktiengesellschaft
Signed: FAHRENHORST
Signed: P. P. WINKLER

Copies to:
Colonel Thomas [Handwritten:] enclosure only
[the defendant] Dr. Oster enclosure only
[the defendant] Dr. Krauch
Dr. Fahrenhorst
Dr. Goldberg
Projects Office

Ludwigshafen/Rhein, 14 January 1936

Subject: Establishing a nitrogen plant on the lower Isar [*River*]

The Untere Isar A.G. has recently renewed its proposal to exploit the water power of the lower Isar, and to utilize the energies thus won in a new factory to be erected for the production of nitrogen. This proposal is mainly based on the point of view of military economy.

* * * * * * *

Therefore, such a plant could only be meant to be a stand-by plant, and, as a matter of fact, the firm interested in the construction of the new nitrogen installation especially stresses the importance of an installation on the lower Isar from the point of view of military economy. This point of view had no, or only a very subordinate, importance in the deliberations of 10 years ago. The result of the examination of this problem is that the capacity of the actually existing nitrogen producing plants in Germany is around 1.5 million tons nitrogen per annum, and that also, according to the most careful estimate, it is possible to count on a capacity of 990,000 tons nitrogen per annum available at any time, which—not counting the gas works—is the production of 15 plants. The normal agricultural requirements of nitrogen are approximately 450,000 tons per annum, that of industry for technical purposes, 45,000 tons; altogether approximately 495,000 tons per annum. Therefore, in case of war, a further 495,000 tons nitrogen per annum would be available for the expected increased requirements of the munitions industry. For Germany and her allies, these increased requirements amounted to approximately 70,000–90,000 tons nitrogen during each of the last 2 years of the war, 1917 and 1918. Even if one counts on an increase of these requirements to 100,000 tons nitrogen per

annum, five times the necessary quantity would still be available. Even if Oppau and some of the more dangerously placed plants should have to stop production due to enemy action, the remaining capacity would be more than sufficient for war requirements.

* * * * * * *

I.G. Farbenindustrie Aktiengesellschaft
Signed: FAHRENHORST
Signed: by proxy WINKLER

TRANSLATION OF DOCUMENT NI-8608
PROSECUTION EXHIBIT 195*

CIRCULAR LETTER OF VERMITTLUNGSSTELLE W, 23 MARCH 1937, CONCERNING "INDUSTRIAL MOBILIZATION TASKS OF THE IG PLANTS"

Secret

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

[Stamp]

Vermittlungsstelle W — Received 24 March 1937 69/1
[Handwritten] — Berlin NW 7, Unter den Linden 82
Deadline: 3 April — 23 March 1937

I.G. Farbenindustrie Aktiengesellschaft
Works Combine Upper Rhine
Attention: Dir. Dr. Gaus, *Ludwigshafen*
Works Combine Central Rhine
Attention: Dir. Dr. Hermann, *Hoechst*
Works Combine Lower Rhine
Attention: Dir. Dr. Kuehne, *Leverkusen*
Works Combine Central Germany
Attention: Dir. Dr. Pistor, *Bitterfeld*
Mines Management
Attention: Dir. Lennartz, *Halle*
Werk Autogen and IG Oxygen Plants
Attention: Dir. Jaehne, *Hoechst*
Dynamit A.G. vormals A. Nobel & Co.
Attention: Dir. Dr. Propach, *Troisdorf*

For information:
Vermittlungsstelle W, Sparte III, Attention: Dr. Meyer, *Wofi*
Vermittlungsstelle W, Department A, Merbeck, *Leverkusen*

* This exhibit is the same document as Prosecution Exhibit 329. By mistake another copy of the same document was registered in the central files of the Document Division as NI-4625 and later introduced in evidence as Prosecution Exhibit 329.

Subject: Industrial Mobilization Tasks of the IG Plants

As you may know, Vermittlungsstelle W is engaged at present in working out mobilization schedules for the individual IG plants. Since the IG plants are, in the main, so-called "plants essential to the war effort," (K- and L-plants) not "armament plants" (R-plants) it is the Reich Ministry of Economics which is responsible for their *industrial mobilization,* not the Reich War Ministry. As agreed, general problems regarding mobilization schedules will be handled by the Reich Ministry of Economics in direct cooperation with Vermittlungsstelle W, while *problems of purely local importance affecting individual plants will be dealt with by the Reich Ministry of Economics through their branch offices attached to the various "Oberpraesidia" (government authority for province).* In order to enable the branch offices to carry out mobilization preparations together with the various plants, it is *necessary that each IG plant designate a so-called confidential agent* [*Vertrauensmann*] *and a deputy of this agent* for the appropriate task.[1] We have been requested by the Reich Ministry of Economics to suggest candidates; the Ministry will then pledge them to secrecy.

Some plants appointed "confidential agents for questions of military economy" some time ago. Many of these persons would, however, probably be unsuited for this type of work, as the branch offices of the Reich Ministry of Economics would prefer to collaborate with men who can afford the time to carry out personally the extensive investigations involved. In view of the nature of these investigations, on the other hand, it would seem to be expedient to suggest for *appointment, as confidential agent and his deputy, men who, on account of their position, have a comprehensive knowledge of production problems in their plants.*

We have promised the Reich Ministry of Economics to submit in the near future the lists of the various IG plants on the enclosed forms.[2] Will you please complete the enclosed forms, insofar as they concern plants of your works combine, and return them to us in duplicate. Names of men suggested for appointment as confidential agents and deputies are to be entered in columns "h" and "i," respectively. Should one or the other branch office of the Reich Ministry of Economics have already designated confidential agents and deputies for some factory, the names of the gentlemen concerned should be entered in the lists and clearly marked accordingly.

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[1] Document NI-7215, Prosecution Exhibit 239, extracts from the minutes of a mobilization conference held at the offices of Vermittlungstelle W in March 1939, contains a list of a number of the confidential agents who were appointed from various plants. It is reproduced below in subsection H 2.

[2] The appendices to this document were not made a part of the exhibit.

We should like to add that on 7 April of this year a meeting of all the chiefs of the Ministry's branch offices will be held at the Reich Ministry of Economics. We should therefore be obliged if completed forms could be sent in *by 5 April,* so that we could submit them to the Reich Ministry of Economics before the above meeting of the chiefs of the branch offices.

Vermittlungsstelle W
[Signed] GORR

Encs:
[Handwritten] 3 copies Farben plants
3 copies affiliated plants

TRANSLATION OF DOCUMENT NI-14306
PROSECUTION EXHIBIT 1959

FARBEN LETTER TO GOVERNMENT AUTHORITIES CONCERNING MOBILIZATION OF PERSONNEL AT THE PLANTS OF FARBEN'S WORKS

I.G. Farbenindustrie Aktiengesellschaft
Management

Bitterfeld, 24 March 1937

Confidential!

Registered!

Military Economics Inspectorate IV [2]
Dresden N 15, Schimpffstr. 2

* * * * * * *

Re: Planning of Schedules

Since the measures, both within the plants and outside, with regard to material for the plants forming part of the Works COMBINE CENTRAL GERMANY, 24 MARCH 1937[1] Combine Central Germany of IG (Bitterfeld-South, Bitterfeld-North, Wolfen-Farben Plant, Aken, Doeberitz, P-plants Piesteritz, Stassfurth, and Teutchenthal), have been dealt with centrally and are nearly completed, it is necessary to start on the matter from the point of view of personnel and to work on this. This job cannot be done from Berlin but can only be handled by the plants themselves in collaboration with the proper agencies of the Wehrmacht, the Reich Ministry of Economics, and the

[1] This exhibit was introduced during the cross-examination of the defendant Buergin. His testimony concerning the document is reproduced below in subsection H 4 *c*.

[2] Thirteen other agencies on the distribution list have been omitted. They included seven other military offices or agencies; four area or labor offices; and two divisions or branches of the Reich and Prussian Ministry of Economics.

Reich Ministry of Labor, on the basis of the previous investigations of our Berlin office.

We have established a method for our plants to deal with this and would now like to discuss the measures with the authorities in question. We are inviting you to visit us in Bitterfeld on 5 April 1937, at 10 o'clock, for this purpose. We are proposing the following agenda for the meeting:

1. Welcome of the Reich Ministries by the Vertrauensmann [confidential representative]. Direktor von der Bey.

2. Survey of production of above plants and their importance in war, armament, and vital production [K-, R-, and L-Produkte]. Direktor Dr. Buergin.

3. Report on composition of schedules and progress of work. Dipl. Ing. Heumann.

4. Submission of our proposals dealing with personnel. Boehm.

5. Discussion about the form the joint work with regard to personnel is to take.

We hope to be able to finish with points 1–4 by lunch time so that after lunching together we can have a discussion according to point 5. We would be very grateful if you would send a representative to the meeting. Please let us have the names of the participants by 2 April 1937.

Heil Hitler!

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT

[Signed] G. PISTOR

[Signed] VON DER BEY.

TRANSLATION OF DOCUMENT NI-4632
PROSECUTION EXHIBIT 197

CIRCULAR LETTER OF VERMITTLUNGSSTELLE W, 8 SEPTEMBER 1937, ON "MOBILIZATION PLANNING TASKS"

SECRET
Registered

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT
VERMITTLUNGSSTELLE W

Berlin, N./Wr. 8 September 1937

Secret!

[Stamp]
Management Department
Leverkusen
9 September 1937

I.G. Farben A.G.,
Att: Director von der Bey

for the works Bitterfeld-South
Bitterfeld-North
Wolfen-Farben

Bitterfeld

[The balance of the long distribution list has been omitted here. It shows that this circular went to more than twenty separate addresses and that its contents were to be effective for even a greater number of plants where there was a number of related plants in the same area. Among the plants addressed were the headquarters of the four Farben Works Combines; the Aluminiumwerk G.m.b.H. (which Farben owned together with the Metallgesellschaft); the Bavarian Nitrogen Works (Bayerische Stickstoffwerke A.G.); and several other firms with separate legal identity.]

Re: Mobilization planning tasks [*Mob-Planungsarbeiten*]

The majority of the plants named in the distribution list were instructed by us during June and July as to the nature and aim of mobilization tasks to be carried out. It became evident that the entire mobilization task can be divided into two main parts:

A. Supplying the plant with the materials necessary for fulfilling the mobilization task (including transportation for incoming and outgoing products).

B. Securing the personnel necessary for carrying out the mobilization task.

The tasks under main part B have been explained in our circulars dated 13 July, 16 July, and 20 August. The confer-

ences which have been scheduled for the next weeks will help in making known new points of view which have come up in the meantime, and to clarify matters.

As no mobilization task was known up to now, the tasks under main part A could only cover the collection of data available on the subject in its present stage and the drawing up of a proposed production plan in the event of mobilization. We have now been informed by the Ministry of Economics that we should begin to draw up organizational schemes and we have been asked to submit our current production plans, as well as our production plan proposals for all plants in the event of mobilization.

The current production plans will have been completed in the meantime by all plants. Some of the plants (Bitterfeld, Goldbach, Hoechst, Leverkusen, Ludwigshafen, Wolfen-Farben) have already forwarded theirs to the Vermittlungsstelle. The production plans must state the following about each product:

1. Name.
2. Capacity of plant.
3. Normal peacetime production.
4. Breakdown of normal peacetime production into—
   a. Plant's own consumption,
   b. Consumption by other IG plants,
   c. Domestic consumption excluding IG consumption, and
   d. Consumption abroad.

We request the plants to send us their production plans as soon as possible, as far as this has not already been done.

The proposals for a production plan in the event of mobilization have to be worked out in agreement with the plant management. They are to be understood as nonbinding statements of opinion by the plant, for which, in view of the nature of the matter, no responsibility can or should be assumed. In all cases in which a change in production from the present normal production in the event of mobilization is not very likely, the present normal production is to be set down in the proposal. We ask you to further the work sufficiently so that the contents and form of the proposals can be fixed at the next meetings.

VERMITTLUNGSSTELLE W
[Signed] NEUMANN

PARTIAL TRANSLATION OF DOCUMENT NI-7621
PROSECUTION EXHIBIT 250

MINUTES OF THE MEETINGS OF FARBEN'S COMMERCIAL COMMITTEE DEALING WITH MOBILIZATION BETWEEN 10 SEPTEMBER 1937 AND 16 JUNE 1939[1]

AFFIDAVIT OF DR. FRANK-FAHLE, 3 JULY 1947

I, GUENTHER FRANK-FAHLE, employee of the I.G. Farbenindustrie Aktiengesellschaft from 1933–1945, secretary of the Commercial Committee from 1937–1945, after having been warned that I shall be liable to punishment for making a false statement, herewith declare the following under oath, of my own free will and without coercion:

* * * * * * *

2. From 1937–1945 I was secretary of the Commercial Committee and drafted all minutes myself, except when I was not present. In such cases, Dr. Krueger wrote the minutes, and once Dr. Teerhaar did.

* * * * * * *

3. Following, I give all excerpts from the minutes which I could find which deal with the mobilization question. In each case, I quote the number of the meeting and its date, also the names of the gentlemen present who are now defendants in Case 6 of the American Military Tribunals.

a. 2d meeting on 10 September 1937

Present (among others): Hermann Schmitz, Georg von Schnitzler, Paul Haefliger, Max Ilgner, Wilhelm Rudolf Mann, Heinrich Oster

4. *"Mobilization question*

Dr. von Schnitzler reports on the present situation and asks Dr. Ilgner to arrange a talk, together with the chief of the Political-Economic Policy Department, at the Reich Ministry of Economics which is competent for the above question, and to report on it at the next meeting."[2]

b. 3d meeting on 7 October 1937

Present (among others): Georg von Schnitzler, Wilhelm Rudolf Mann, Heinrich Oster

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[1] There were also a large number of minutes dealing with mobilization questions after the outbreak of the war which are not reproduced here. The minutes of the first meeting of the newly reorganized Commercial Committee, held on 20 August 1937, do not specifically mention mobilization questions.

[2] A further extract from the minutes of the Commercial Committee meeting of 10 September 1937 (*NI-4959 Pros. Ex. 363*) is reproduced immediately hereinafter.

"1a. Mobilization question

Dr. Frank-Fahle reports on the discussions with the competent offices at the Reich Ministry of Economics about the order given to us and in regard to which he is to contact Dr. Struss.

The Sales Combines want to look into the questions concerning finance, personnel, and stockpiling matters in the meantime; they will then be discussed again by the Commercial Committee."

c. 4th meeting on 5 November 1937

Present (among others): Hermann Schmitz, Georg von Schnitzler, Heinrich Oster.

"1a. Mobilization question

The matter is discussed in detail. Agreement has been reached about future proceedings. Dr. von Schnitzler takes it upon himself, together with Dr. ter Meer, to clarify the collaboration of the Political-Economic Policy Department with Vermittlungsstelle W on this question."

d. 5th meeting on 10 December 1937

Present (among others): Hermann Schmitz, Georg von Schnitzler, Max Ilgner, Wilhelm Rudolf Mann, Heinrich Oster.

"1a. Mobilization question

Dr. von Schnitzler and Dr. Ilgner report on their discussion with the experts of the Reich Ministry of Economics, and on the measures to be taken."

e. 6th meeting on 20 January 1938

Present (among others): Georg von Schnitzler, Paul Haefliger, Max Ilgner, Wilhelm Rudolf Mann, Heinrich Oster

"6. Mobilization question

Dr. Ilgner reports on the present situation in regard to the mobilization question and informs the Committee that with the consent of Dr. ter Meer this question will be dealt with by Vermittlungsstelle W in regard to matters of production, and by the Political-Economic Policy Department in regard to commercial matters; both departments will maintain close contact as far as this question is concerned, particularly in their relations with the branch offices which have to be informed of these matters." *

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* See also the extract from the letter of 3 February 1938, from the defendants Ilgner and von Schnitzler to the Reich Ministry of Economics, quoted in Eichwede's notes on Vermittlungsstelle W, Document NI-2747, Prosecution Exhibit 99, appearing at the beginning of this section.

f. 8th meeting on 11 March 1938

Present (among others): Hermann Schmitz, Georg von Schnitzler, Paul Haefliger, Max Ilgner, Wilhelm Rudolf Mann

"1. Mobilization question

Dr. von Schnitzler reports on the present situation and the measures to be taken in future and informs the Committee that to begin with, he and Dr. Ilgner will approach the competent offices on the basis of the available documents."

g. 10th meeting on 22 April 1938

Present (among others): Georg von Schnitzler, Paul Haefliger, Max Ilgner, Wilhelm Rudolf Mann, Heinrich Oster

"4. Mobilization question

Dr. von Schnitzler reports on the lists hitherto produced, which are to be revised according to new points of view, and which have to be available at the next meeting of the Commercial Committee so as to enable us to carry out the discussions with the authorities as planned."

h. 11th meeting on 24 May 1938

Present (among others): Hermann Schmitz, Georg von Schnitzler, Paul Haefliger, Max Ilgner, Heinrich Gattineau, Hans Kugler

"3. Mobilization question

The newly revised lists are available. Dr. von Schnitzler and Dr. Ilgner will discuss them with the competent gentlemen of the Reich Ministry of Economics and the Military Economics Staff [Wehrwirtschaftsstab]. Following this, organizational measures are discussed and decided on."

i. 12th meeting on 16 June 1938

Present (among others): Georg von Schnitzler, Paul Haefliger, Max Ilgner, Heinrich Oster

"4. Mobilization question

Dr. von Schnitzler and Dr. Ilgner report on the discussions with State Secretary Posse and Ministerialdirektor Sarnow at the Reich Ministry of Economics and with Brigadier General Thomas, Chief of the Military Economics Staff [Wehrwirtschaftsstab], as well as on the other discussions with Oberregierungsrat Eckelmann and the competent experts of the Reich Ministry of Economics. The result of this meeting is that the matter will be dealt with centrally between Berlin NW 7 (as organ of the Commercial Committee), and the Reich Ministry of Economics, and the branch office of the Reich

Ministry of Economics, respectively, and the branch office of the Reich Ministry of Labor, Berlin. For this purpose, summaries and lists are produced by the Sales Combine according to the directives given by the IG, Berlin NW 7, and submitted to Berlin NW 7. IG Berlin NW 7 forwards these lists of the various Sales Combines to the authorities mentioned above and deals with these offices centrally. This procedure guarantees uniform handling of the commercial interests. Beyond that, the Commercial Committee considers it necessary that, in general questions of military economy, the IG act as a single entity in its relations with the authorities. This point is placed on the agenda of the first Vorstand meeting after the next meeting."

j. 13th meeting on 15 July 1938

Present (among others) : Georg von Schnitzler, Heinrich Oster

"9e. Mobilization question

Dr. von Schnitzler reports on the negotiations with the authorities and labor offices; he also reports that the application for exemptions from military service will be submitted to the Reich War Ministry (Plenipotentiary General) on the second of this month."

k. 20th meeting on 10 March 1939

Present (among others): Hermann Schmitz, Georg von Schnitzler, Fritz Gajewski, Paul Haefliger, Heinrich Oster

"2. Mobilization question

Dr. Krueger reports on the present situation in regard to the work, and on the next tasks."

l. 22d meeting on 12 May 1939

Present (among others) : Georg von Schnitzler, Paul Haefliger, Wilhelm Rudolf Mann, Heinrich Oster; Erich von der Heyde (part of the time)

"5. Mobilization question is discussed. It is furthermore suggested that a meeting take place as soon as possible in Frankfurt/Main between those gentlemen who are commissioned to deal with this question within the IG and within the affiliated companies [Konzerngesellschaften]."

m. 23d meeting on 16 June 1939

Present (among others): Hermann Schmitz, Georg von Schnitzler, Paul Haefliger, Wilhelm Rudolf Mann, Heinrich Oster, Heinrich Gattineau, Hans Kugler

"2. Mobilization question

Dr. von Schnitzler and Dr. Kruger report on the present situation in regard to the mobilization question. The provisional result of the discussions between the Military Economic Department [Referat Wehrwirtschaft] and the competent offices of the Reich Ministry of Economics is reported. It is then decided that Dr. von der Heyde contact the office of the Central Committee in Frankfurt/Main and the Secretariat of the Management at Leverkusen in order to make full use of the documents already available about the demands of the Reich War Ministry."

* * * * * * *

I have carefully read each of the 10 (ten) pages of this affidavit, countersigned it with my own hand, have made the necessary corrections in my own handwriting and initialled them, and I herewith declare under oath that I have stated the full truth in this affidavit to the best of my knowledge and belief.

[Signed] GUENTHER FRANK-FAHLE

PARTIAL TRANSLATION OF DOCUMENT NI–4959 PROSECUTION EXHIBIT 363

EXTRACT FROM THE MINUTES OF A MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 10 SEPTEMBER 1937, CONCERNING FARBEN'S POLITICAL-ECONOMIC POLICY DEPARTMENT AND VERMITTLUNGSSTELLE W

* * * * * * *

14. *Collaboration with the Political-Economic Policy Department [Wirtschaftspolitische Abteilung]*

In view of the problems accumulating in connection with the Four Year Plan, rearmament, export, the foreign currency situation, et cetera, it appears absolutely essential for all Farben agencies to maintain closest contact with the Political-Economic Policy Department with regard to conferences or negotiations with authorities, associations, and political organizations, so as to assure a uniform attitude of the IG to all these questions. Dr. von Schnitzler will report on this matter to the Z.A. (Central Committee). In this connection, the question of collaboration between the Political-Economic Policy Department and Vermittlungsstelle W is also discussed.

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TRANSLATION OF DOCUMENT NI-8777
PROSECUTION EXHIBIT 198

CONFERENCE CONCERNING MOBILIZATION PLANS FOR DYESTUFFS, AT FRANKFURT, ON 30 SEPTEMBER 1937

I.G. Farbenindustrie Aktiengesellschaft

[Rubber Stamp]
Received 1 December 1937

[Rubber Stamp] Secret! Registered

Frankfurt (Main), 30 November 1937

Confidential

File Note

At the suggestion of Leverkusen, a conference on mobilization plans took place in Frankfurt (Main) on 30 November 1937.

Present:	Dr. Warnecke,	Leverkusen
	Dr. Dobmaier	Leverkusen
	Dr. Moll	Ludwigshafen
	Dr. Von Bruening	Hoechst
	Dr. Hirschel	Hoechst
	Dipl. Ing. Neumann	Vermittlungsstelle W, Berlin
	Dr. Eichwede	Technical Committee Office, Frankfurt (Main)

The starting point for today's meeting was the question whether the discussion of mobilization plans now being resumed at Berlin was influenced by the suggestions of Dr. ter Meer in the meeting of the Dyestuffs Committee of 23 November 1937.*

Irrespective of the result of the Dyestuffs Committee meeting, mobilization plan policy has to remain unaltered. The Office of the Technical Committee (Dr. Struss) is to raise (at the discussion of the Leverkusen plan on 13 December in Berlin), the fundamental question as to whether plans should be built up from below, or whether planning can be directed into the right channels from the very beginning by the authorities, with a few basic schedules. The suggestion of Dr. ter Meer to transfer the plants should be considered meanwhile; the result should not influence the present discussion.

It was agreed to take, as terms of reference for dyestuffs, the production figures of 1936; that is, to express actual production, deliveries, and sales in tons *tel quel* (commercial weight) ; produc-

* The testimony of the defendant ter Meer concerning the mobilization plan for dyestuffs and concerning this exhibit (tr. pp. 6913 and 6914) is reproduced below in subsection H 4 *b*, together with other testimony of the defendant ter Meer on industrial mobilization.

tion capacities not being shown. Vermittlungsstelle W will inform Dr. Ungewitter of the change of these figures.

The information, requested by Vermittlungsstelle W on the uses of various products or groups of products, is to be submitted, for the time being, in form of estimated percentages for products exceeding 10 tons per month only. In the case of dyestuffs and pharmaceuticals, there will be no data on uses. Estimates are to be made at the plants; should they be unable to do so in the case of individual products, data will be supplemented by the Office of the Technical Committee.

Owing to pressure caused by manpower problems, Leverkusen made a number of estimates about dyestuff production which fall considerably short of the 1936 production. A few discussions which have taken place in the meantime have disclosed that these figures seem to be too low and they will therefore be increased in the present version. The present production figures of the new version (13 December 1937) have no immediate connection with the original safeguarding of labor allocation.

The affiliated plants of the Works Combines are to be informed of the measures to be taken as a result of today's meeting.

Office of Technical Committee
Signed: DR. EICHWEDE

TRANSLATION OF DOCUMENT NI-8883
PROSECUTION EXHIBIT 201

RECORD OF A CONFERENCE OF REPRESENTATIVES OF THE REICH WAR MINISTRY, THE REICH MINISTRY OF ECONOMICS, AND THE CONTROL OFFICE CHEMISTRY, 14 DECEMBER 1937, CONCERNING THE MOBILIZATION TASK OF FARBEN'S KNAPSACK PLANT

[Rubber Stamp] Top Secret

5 copies, copy No. 4

Minutes of the Conference of 14 December 1937 at the Reich War Ministry on Mobilization Tasks of the I.G. Farbenindustrie-Aktiengesellschaft, Knapsack Plant: Case A [In case of War]

Present:

from the Reich War Ministry:	Reg. Dr. Mureck
	Dr. Romberg
	Dipl. Ing. Schwabe
	Boese
from Reich Ministry of Economics:	Bergrat Morhenn
from the Control Office Chemistry:	Dr. Hagert*

The meeting establishes for the Knapsack Plant of the I.G. Farbenindustrie A.G. the mobilization task for case "A," that is, the case of total war [totalen Kriegsfall], in accordance with the Mobilization Session of 13 December 1937.

	Mobilization task	*Remarks*
1. Carbide	8,700 tons per month	Only for acetaldehyde (4,000 tons per month).
2. Ferrosilicon 45 percent	4,600 tons per month	As in case B; of this 2,400 tons per month from converted carbide furnaces 11, 12, and 13, 2,200 tons per month from Elektrowerk.
3. Calcium Cyanamide	none	As in case B; of this 2,300 tons per month to Hoechst (solvent), 1,200 tons per month for acetic acid, 500 tons per month for direct anhydride process.
4. Acetaldehyde	4,000 tons per month	

* Dr. Hagert was a prosecution witness on a number of aspects of the aggressive war count. His testimony is recorded in mimeographed transcript, 1, 2 October 1947, pp. 1463–1536.

5.			
	a. Acetic acid, raw 100 percent	1,800 tons per month	As in case B; of this 300 tons per month from direct anhydride process; provisions for 840 tons per month for No. 5*b*; 300 tons per month for No. 5*c*; 660 tons per month for No. 8.
	b. Acetic acid, commercially pure	----------	As in case B. Out of 840 tons per month acetic acid, raw, of which 540 tons per month for No. 6; 40 tons per month for No. 7; balance for No. 5*c*.
	c. Acetic acid, pure	----------	As in case B. Still to be determined. 1. Out of 300 tons per month acetic acid, raw (direct anhydride process). 2. Out of 200 tons per month from No. 5*b*.
6.	Acetic anhydride	640 tons per month	As in case B; of this 440 tons per month from acetic acid, commercially pure, 200 tons from direct anhydride process.
7.	Acetyl-chloride	50 tons per month	As in case B.
8.	Acetone	300 tons per month	As in case B; for 660 tons per month of acetic acid.
9.	Carbonyl chloride (phosgene)	300 tons per month	----------
10.	Hydrochloric acid 30 percent	----------	Figure still to be indicated corresponding to 440 tons per month of anhydride. Obligatory byproduct. As in case B.
11.	Activated carbon	none ----------	----------

TRANSLATION OF DOCUMENT NI–8886
PROSECUTION EXHIBIT 206

MINUTES OF A CONFERENCE OF REPRESENTATIVES OF THE REICH WAR MINISTRY, THE REICH MINISTRY OF ECONOMICS, THE "CONTROL OFFICE CHEMISTRY," AND FARBEN, 11 JANUARY 1938, CONCERNING THE MOBILIZATION TASK OF FARBEN'S PIESTERITZ PLANT

Stamp: Top Secret 6 copies, 5th copy
[Handwritten] E 118 Top Secret

Minutes of the Conference on 11 January 1938 with I.G. Farbenindustrie-Aktiengesellschaft at Control Office "Chemistry" concerning the Piesteritz Plant

Present:	from the Reich War Ministry	Regierungsrat Dr. Mureck
		Dr. Romberg
		Dr. Angerer
	from the Reich Ministry of Economics	Regierungsrat Dr. Lenz
		Bergrat Murhenn
	from the Control Office Chemistry [Ueberwachungsstelle "Chemie"]	Dr. Ungewitter
		Dr. Ing. Hagert
		Dr. Ing. Heyl
	from I.G. Farben	Dipl. Ing. Neumann
		Dr. Diekmann
		Dr. Kolbe

	Production in case of war	*Remarks*
1. Carbide	13,000 tons a month	Of which 7,800 tons per month for item 2, 5200 tons each month for technical purposes. The Mobilization Program of the factory is to include prompt availability of the required barrels, if necessary from Knapsack.
2. Calcium cyanamide	2,500 tons a month N	
3. Highly concentrated potassium nitrate acid	550 tons a month N	WIFO plant.

4. Phosphorus	Requirements for No. 5, 6, and 7, plus 50 tons per month for military purposes	The phosphorus for military purposes will be sent to Bitterfeld for refining. IG will furnish exact figures later.
5. Phosphoric acid	1,200 tons a month, plus requirements for No. 6 and 7	Farben will furnish exact figures later.
6. Phosphate fertilizer	1,500 tons a month N, plus requirements for Nos. 6 and 7	
7. Ammonium phosphate, technical	150 tons a month N, plus requirements for Nos. 6 and 7	

When making preparation for production in case of war, in future all products that are manufactured in the plant are to be listed. With regard to *Piesteritz,* IG will later also state the various stages of nitrogen, for example, diluted nitric acid. In the list that has been sent in, moreover, color salts [Faerbesalze] and ferrophosphorus have been omitted.

I.G. states that the phosphorus refining plant at Bitterfeld will even then suffice when 50 tons of phosphorus a month from Piesteritz will also be processed.

The planned war production for the *Bitterfeld plant* will be changed to 200 tons a month, of which 50 tons per month will be intermediates from Piesteritz and 120 tons a month for military purposes.

Berlin, 14 January 1938
Dr. Hy/Br

TRANSLATION OF DOCUMENT NI–7426
PROSECUTION EXHIBIT 209

LETTER FROM MINISTERIALRAT DR. ZAHN, OFFICIAL OF THE ARMY ORDNANCE OFFICE, TO DEFENDANT AMBROS, 5 MARCH 1938, CONCERNING MOBILIZATION

Berlin, 5 March 1938

Dear Dr. Ambros,

Further to my letter of today's date on the subject of "Huels," I should like for the sake of completeness to mention another point which is obvious in itself, namely the continued preparedness for mobilization in the period *following* 1944; that is to say, at the time when the guarantees given for sales of 50,000 tons of ethylene oxide are either fulfilled or have ceased.

No special mention is needed of the fact that in the event of mobilization after 1944, our mustard gas and diglycol plants will be supplied as priority plants, and to 100 percent of their requirements, with ethylene oxide, chlorine, electricity, steam power, etcetera in quantities sufficient for the production of

600 tons of Oxol-Lost per month.
200 tons of Direkt-Lost per month.
600 tons of diglycol per month.

Were this not guaranteed, the plants as a whole and the money invested therein would only have a very limited value, and a guarantee of sales for the period 1940–1944 could never be justified. I assume that we are all in absolute agreement on this principle.

With kind regards,

Yours,

[Signed] DR. ZAHN*

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* Ministerialrat Christian Zahn, Doctor of Chemistry, was in charge of the procurement of gunpowder, high explosives, and chemical warfare agents for the German Army. Zahn was a defense witness called by counsel for the defendant Krauch (see mimeographed transcript, 14, 15 April 1948, pp. 11444–11489, 11587–11611).

TRANSLATION OF DOCUMENT NI-8601
PROSECUTION EXHIBIT 218

DIRECTIVE OF VERMITTLUNGSSTELLE W, 6 SEPTEMBER 1938, CONCERNING MOBILIZATION PLANNING

Secret
* * *

Berlin, 6 September 1938
N/Sch

Guide for the continuation of planning work

After the coordination of the operational schedules of IG has been carried out with the help of the raw materials and preliminary products requirements sheets submitted by the plants, the operational schedules will be sent to the plants in the form of a mobilization plan. To the mobilization plan will be added 8 enclosures, which will serve primarily for the *listing of raw materials, auxiliary materials, fuel, transport, and power requirements.* On the subject of this work, which, on the instructions of the High Command of the Wehrmacht and the Reich Plenipotentiary for Chemistry, must be completed *with the utmost speed,* we make the following observations:

1. *Assessment of raw material requirements*

Raw materials in this connection comprise the actual raw materials and the preliminary products which were dealt with individually in our circular letter of 8 April 1938. The *raw material requirements,* which have already been reported to Vermittlungsstelle W as a basis for internal coordination among the plants, *will be transferred by Vermittlungsstelle W to the prescribed forms.* As various changes have arisen as a result of internal coordination, we will submit the completed forms *to the plants for a final revision* before handing them over to the Reich Plenipotentiary for Chemistry.

2. *Assessment of auxiliary material requirements*

While the raw material requirements must be broken down according to individual items or related groups of raw material items in the Mobilization Plan, it will be sufficient *to assess the auxiliary material requirements for all items in the Mobilization Plan as a whole.* As the requirements for auxiliary material depend in part on the number and type of interruptions which occur in the normal course of production, *they can be estimated only very approximately.* The average rate of consumption in individual plants is not likely to vary appreciably during the war; thus, an estimate can be made on the basis of the peacetime conditions. It will be useful to work on the *average quantities for*

1937, expressed in monthly amounts and rounded off to the next higher unit.

The appended list* can be used as a guide for the breakdown of auxiliary materials; this list comprises the raw materials in groups according to spheres of supervision. This breakdown has been recognized as suitable by the authorities.

As the peacetime requirement is to be taken as a basis, *this work can be begun at once.* Please inform us if it is believed in individual works that in consequence of major changes, decrease or increase of production, the auxiliary material requirements cannot be gauged on the basis of the peacetime requirement.

[Marginal note: Notes on the back of the form should be made only on those auxiliary materials whose production in the event of mobilization involves "considerable" difficulties.]

3. *Assessment of fuel requirements*

The fuel requirement, like the auxiliary material requirement, will be assessed for all items in the mobilization plan as a whole; it is dependent on the power requirement (see point 5).

4. *Transportation requirements*

Transportation requirement is to be subdivided according to the goods to be transported.

When the full extent of transportation required cannot be expressed on a 24-hour basis, an appropriately longer space of time is to be taken as a reference period, for instance, 3 freight cars in 2 days.

Instruction 3 on back of page 6, which will be appended to the mobilization plan, means that only those vehicles which are required, in addition to those owned by IG are to be indicated as a requirement. If, however, larger shipments with IG-owned freight cars are contemplated, then, in order to ensure the availability of the necessary locomotives, the number of the IG-owned vehicles to be moved should also be given on a separate sheet.

5. *Power requirement*

The power requirement is to be assessed for all items of the mobilization plan.

Explanation for filling out sheets 8 and 9, which are enclosed as appendices to the mobilization plan, will follow shortly.

VERMITTLUNGSSTELLE W

Signed: NEUMANN

1 Enclosure

* Not reproduced herein.

PARTIAL TRANSLATION OF DOCUMENT NI-7452
PROSECUTION EXHIBIT 2221

EXTRACTS FROM DRAFTS OF THE WEEKLY REPORTS OF THE MILITARY ECONOMY AND ARMAMENTS OFFICE OF THE HIGH COMMAND OF THE ARMED FORCES, JULY AND SEPTEMBER 1938, APRIL AND JUNE 1939, CONCERNING FARBEN AND MOBILIZATION PLANS

* * * * * * *

Secret

5 July 1938

Conference with Vermittlungsstelle W of the IG and Control Office Chemistry concerning the possibility of compiling all of the auxiliary materials necessary for entry into the mobilization sheets for all of the IG. The IG has suggested that there be compiled, in cooperation with the Control Office, a list of all auxiliary materials which are difficult to obtain in case of mobilization, and to hand the list to the individual plants to make it easier to fill out the mobilization sheets. The High Command of the Wehrmacht is agreeable to the initiation of conferences in reference to the problem.

* * * * * * *

7 July 1938

Conference with Reich Plenipotentiary for Mineral Oils. Mobilization schedules of the Austrian refineries must be postponed an additional two months, since the de-Judaization [Entjudung] and the transfer of foreign capital into German hands is not yet completed and the processing of an artificial mixture (gasoline-petroleum-asphalt), carried out thus far because of the customs, has not yet been converted to petroleum refining.

* * * * * * *

14 September 1938

Conference with I.G. Farbenindustrie and WIFO at the Reich Ministry of Economics.

There was a discussion concerning those materials, which are to be removed from the endangered border region (in particular Ludwigshafen),* taking into account their significance for military economy, because their manufacture in the interior of Germany is impossible at present.

* Ludwigshafen is located on the Rhine River approximately forty miles from the French frontier. Just adjacent to Farben's Ludwigshafen plant is Farben's Oppau plant. Since the two plants were adjacent and partly interrelated, the complex of the two plants is often referred to as the Ludwigshafen-Oppau plant. If the two plants are considered as one plant, then Ludwigshafen-Oppau was Farben's largest single plant. The location of Ludwigshafen-Oppau near the French frontier led to a number of mobilization problems, some of which are taken up in the section on "Dispersal of Production, Stockpiling, Storage, and Standby Plants."

15 September 1938

Conference at the Chemische Werke Lothringen (I.G. Farben) in Gerthe near Bochum with reference to the storage of various militarily important products that are to be moved on a priority from Ludwigshafen and other IG plants into available empty factory space.

The storage of all products proposed by the IG for removal from the Ludwigshafen plant is possible in Gerthe. The chief of the plant, Dr. Schacht, will send a survey with regard to the possibilities of storage in Gerthe (plan of the plant, storage rooms, capacity) to the Military Economics Staff in the near future.

15 September 1938

Conference at the I.G. Farbenindustrie, and checking of the transfer of the ethyl chloride plant to Schkopau, ordered by the Military Economics Staff.

The part scheduled for removal (1 unit of 150 tons per month) has already been dismounted and is on the way to Schkopau. With reference to supplementary equipment which is still necessary, the Military Economics Staff will try to speed up delivery.

There was also a thorough discussion relative to the materials which are to be removed immediately from Ludwigshafen and the places where they may be placed for safekeeping. As far as possible, the consumer is to receive the materials. In the case of necessary storage in newly provided storage facilities, the additional costs which arise will have to be reimbursed by the Reich.

* * * * * * *

16 September 1938

Conference at the Reich Ministry of Economics concerning the control of the production of mineral oil in case of mobilization.

Together with the Reich Ministry of Economics, which has already drawn up an organization for the distribution of mineral oil, an organization for control of mineral oil *production* has been set up with the cooperation of the industry. The Control Office (in case of mobilization the Reich Office) will have subordinated to it three large groups of producers, namely:

1. Production of benzene and corresponding products. For this, a compulsory syndicate under the direction of the Benzol-Verband (Direktor Hansen) is planned.

2. The production of mineral oil on the basis of lignite and coal (excluding benzene). Under direction of Dr. Buetefisch, I.G. Farbenindustrie.

3. The production of mineral oil on the basis of petroleum, under the direction of Generaldirektor Brochhaus, Deurag. As-

sisting him are Direktor Dr. Boeder, Rhenania-Ossag, and Dr. Brunck, Deutsche Gasolin.

* * * * * * *

19 April 1939

Conference at the Control Office Chemistry. Setting up mobilization schedules at the Ludwigshafen and Rheinfelden plants of the I.G. Farbenindustrie A.G., which have hitherto been located in the red area.

* * * * * * *

21 April 1939

Conference at the Economic Research Association (Wirtschaftliche Forschungsgesellschaft m.b.G. [WIFO], concerning the following contracts which have been concluded:

* * * * * * *

3. Transfer of the ethyl chloride plant from Ludwigshafen to Schkopau. Farben is instructed to revise the draft of the contract once more, since a series of unjustified demands are contained therein.

4. Raw materials storage depot at Gerthe. At the request of the High Command of the Armed Forces, the storage depot is to be maintained permanently. For this, certain contractual agreements are necessary. The High Command of the Wehrmacht and the Reich Ministry of Economics will draw up a plan for supplying the Gerthe storage depot.

* * * * * * *

28 April 1939

Conference with the Reich Ministry of Economics, WIFO and I.G. Farbenindustrie.

* * * * * * *

2. The raw materials storage depot arranged in Gerthe last fall before the Czechoslovakian crisis for the stockpiling of chemical raw materials produced only in Ludwigshafen will continue to be maintained by IG. The stored materials remain the property of Farben. Farben agrees to maintain a certain minimum of stock. Additional costs arising from the storage and replenishment of the stocks will be borne by the Reich.

* * * * * * *

29 April 1939

Conference with Director Rumpf, Hydrogenation Plant, Poelitz. The costs of constructing a widely spread out system of raw material tanks, completely protected against air raids, will amount,

because of the simpler equipment for cracking tar and cracking middle oil tanks, to only RM 24 per cubic meter for tanks placed only within walled-in spaces, whereas subterranean tanks, because of the ground water present in the vicinity of Poelitz at a depth of 2½ to 3 meters, amount to RM 80 per cubic meter.

* * * * * * *

22 June 1939

Conference in the Reich Ministry of Economics with Control Office Chemistry and Vermittlungsstelle W of I.G. Farben concerning the Farben plants at Ludwigshafen and Oppau, which would be endangered in case of mobilization. The materials which are *solely* or predominantly produced in these plants were thoroughly discussed. In view of the military importance of most of the materials, Farben will soon make proposals concerning possibilities of storage, creation of new plants, and stockpiling, with estimates of costs and proposal of suitable locations in a secure area.

* * * * * * *

28 June 1939

Conferences at the I.G. Farbenindustrie in Ludwigshafen with Reich Ministry of Economics and

1. * * *

2. Direktor Wurster and Direktor Mehner of IG, concerning transfer of products important to military economy which are being produced in their entirety in Ludwigshafen. IG will shortly make concrete proposals concerning the possibility of transferring the products or of stockpiling them, indicating costs and locations. The High Command of the Wehrmacht and the Reich Ministry of Economics will then determine in what priority classification the individual projects are to be carried out within the limits of the available funds and materials.

3. Inspection of various plants in Ludwigshafen and Oppau, particularly in the field of synthetic materials.

* * * * * * *

MINUTES OF A CONFERENCE OF REPRESENTATIVES OF THE HIGH COMMAND OF THE WEHRMACHT, THE REICH MINISTRY OF ECONOMICS, THE CONTROL OFFICE CHEMISTRY, AND FARBEN, 6 DECEMBER 1938, CONCERNING PRODUCTION AT FARBEN'S LUDWIGSHAFEN PLANT IN THE EVENT OF MOBILIZATION

W Ro III (a) [Military Economy and Armament Office, Raw Materials Department III (a)], File: 11 d

Subject: Use of Ludwigshafen in case of mobilization*

I.G. Farbenindustrie had approached Control Office Chemistry with the question whether Ludwigshafen could continue production in case of mobilization, and if it could be counted upon that Ludwigshafen would be furnished with the raw materials for the products to be manufactured. Concerning the question of raw materials, the gentlemen of the IG stated that Ludwigshafen itself was able to manufacture all raw materials for its products, with the exception of benzene and toluene, for which Ludwigshafen was dependent upon delivery from other places. The allocation required for benzene by the IG appears as follows:

For dyes	160 tons
For polystyrene	182 tons
For styrene (for buna)	140 tons
For betaphenylnaphthylamine	70 tons
For chloracetophenone [Omegasalz]	75 tons
For dinitrodiphenylamine	50 tons

The total requirements, according to the reports of the IG, which would amount to 805 tons per month of 90 percent benzene. Toluene for Ludwigshafen could be produced from this.

In order to get an over-all picture of the requirements of raw materials and labor, those products which can only be manufactured exclusively, or for the greater part, in Ludwigshafen are shown in the following plan for Ludwigshafen in case of mobilization:

Ethylene chlorohydrin: preliminary product for the products of Roehm & Haas.

Ethylene oxide from spirits: for diglycol and thiodiglycol, also for glycol.

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* This conference was held at the "Control Office Chemistry." The minutes show that the following were present: Oberregierungsrat Dr. Lenz and Dr. Kraft, Reich Ministry of Economics; Dr. Hagert, Control Office Chemistry; Regierungsrat Dr. Mureck and Regierungsrat Dr. Thierer, High Command of the Wehrmacht (OKW); and Dr. Moll and Dipl. Ing. Neumann, I. G. Farbenindustrie A.G. The minutes were signed by Thierer.

Aluminum chloride: for chloroacetophenone.
Refining of arsenic sludges [Arsenschlaemme].
Ethyl chloride; capacity 250 tons per month.
Sodium cyanide.
Diglycol.
Formaldehyde: raw material for pentaerythrite-tanigans.
Oxol: already considered under thiodiglycol.
M.P. material* capacity 150 tons per month.
Nekal powder: only to be considered as far as it will be needed in the production of emulsifier 1000 for Buna.
Chloracetophenone [Omegasalz].
Palatinol [ethyl phthalate].
Pentearythrite: only to be considered until plants in Central Germany are set up.
Styrene: 300 tons per month capacity, of that 100 could be polymerized to polystyrene.
Zinc chloride: raw material for sodium hydrosulfite.
Iron powder.
Urea: as far as it is needed for Kaurit glue.
Sal ammoniac.
Kaurit glue.
Oppanol.
Chlorosulfonic acid: as to this substance, the question must be examined whether it should be placed in Ludwigshafen at all.

So far a war supply contract [K.L.V.] for the Navy, amounting to 330 tons of Nebelsaeure [a smoke-creating acid] is earmarked for Ludwigshafen. Likewise it is to be found out whether dimethyl-aniline, which normally is used for the production of dyestuffs, can be used as an explosive. So far, dimethyl-aniline has not been requested by the Wehrmacht as raw material for explosives.

It has further to be examined to what extent brown-oxide can be used as contact for the mineral oil industry.

In addition to the materials mentioned above, IG proposes reducing the materials listed below, if workers could be made available:

Active black.
Sodium sulfite and sodium bisulphite.
SO_2, gaseous and liquid.
Chlorine for diglycol: liquid for own needs.
Hydrochloric acid: own needs for liquid ethyl chloride.
Chrome alum: spent lye from the production of wax at IG in Oppau.

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* M.P. material—Mipolam material, a noninflammable synthetic rubber (polyvinyl chloride) used for cable insulation.

Nitrobenzene: the condition for this is that the IG receives the necessary benzene.

Benzoic acid: can be manufactured on a naphthalene basis.

Tanigan extra (DX): raw materials are urea, phenol, cresol, and carbide spirit; 500 tons per month for own needs.

Cyclohexanol: for artificial resin and Anon resin.

Phthalic acid glyceride: in Ludwigshafen only partial esterification, further processing takes place in Uerdingen; but there also, a first step of esterification can be done.

Dyes: only those which cannot be manufactured in other IG factories.

Ethylene dinitrate: to be examined whether it could be used for explosives in the case of mobilization.

Dinitro naphthalene: here the same as for ethylene dinitrate. So far neither ethylene dinitrate nor dinitro naphthalene were intended as products for explosives.

I.G. Farbenindustrie (Dr. Moll) asked the question whether the manufacturing of fertilizers should continue in Oppau. For that, mainly nitric acid is needed as raw material, so that also the nitric acid plant must run full swing. As to nitric acid, Dr. Moll stated that Dr. Krauch, Ludwigshafen, had given instructions to manufacture concentrated nitric acid in case of mobilization. Military Economics Staff [of the Wehrmacht] stated that it was not indicated that the production of powder and explosives was dependent on the delivery of concentrated nitric acid from Ludwigshafen.

It can be said of the foregoing plan of production in general that it presupposes the use of all installations for the production of the most important chemical raw materials, such as sulfuric acid, nitric acid, chlorine, hydrochloric acid. It is considered that this would mean that only a small percentage of the workers now employed in Ludwigshafen would be available in case of mobilization.

It is therefore proposed, in case Ludwigshafen should receive any mobilization tasks at all, to limit them to the first-named products, and to consider the larger mobilization task only in case of "Ostfall" [war in the East].

[Signed] THI [THIERER]

TRANSLATION OF DOCUMENT NI–4620
PROSECUTION EXHIBIT 238

EXTRACT FROM AN INVITATION OF FARBEN'S LIAISON OFFICE WEHRMACHT TO THE LEVERKUSEN PLANT, 25 FEBRUARY 1939, CONCERNING A GENERAL CONFERENCE OF MOBILIZATION REPRESENTATIVES IN FARBEN'S MAJOR PLANTS

I.G. FARBENINDUSTRIE AKTIENGESELLSCHAFT
Vermittlungsstelle W
[Stamp]
Management, Leverkusen
27 Feb. 1939

Berlin NW 7
Unter den Linden 82
12 00 21

Herr Dr. Warnecke or deputy,
I.G. Farbenindustrie Aktiengesellschaft
Leverkusen/IG Plant

Secret! Registered

Your reference:	Your letter of:	Our reference: (to be quoted in reply)	Berlin 25 February 1939
		Dr. K./Wr	

Subject: Mobilization Planning

Before entering the new mobilization year we consider it desirable to have a general conference of the mobilization plan representatives [Mob-Bearbeiter] of the major IG plants on the state of mobilization work.

We suggest meeting at 9:30 hours on *Friday, 10 March 1939,*[1] *in the conference room of the Laenderbank, Berlin NW 7, Unter den Linden 82* and request that you inform us whether this time is convenient.

[Handwritten: postponed till 15.3.]

The main purpose of the discussion will be to clear up problems which have arisen in the plants and to bring mobilization work within IG to a common level. Mainly the following points are to be discussed:[2]

* * * * * * *

Vermittlungsstelle W
[Signed] KAYSER

[1] As the handwritten note indicates, conference was actually held on 15 March 1939. This is confirmed by Document NI–7215, Prosecution Exhibit 239, the Minutes of the Conference on Mobilization Questions, extracts of which are reproduced immediately below.

[2] The six principal points discussed at the conference of 15 March 1939 appear in Prosecution Exhibit 239, extracts of which are reproduced immediately below.

TRANSLATION OF DOCUMENT NI–7215
PROSECUTION EXHIBIT 239

EXTRACTS FROM THE MINUTES OF A CONFERENCE OF FARBEN MOBILIZATION REPRESENTATIVES, 15 MARCH 1939, CONCERNING MOBILIZATION PLANNING

List of persons present

No.	*Plant*	*Name*
1.	Bitterfeld	Dr. Vorlaender
2.		Boehm
3.	Hoechst	Dr. Hirschel
4.	Leverkusen	Dr. Warnecke
5.	Ludwigshafen	Direktor Dr. Mehner
6.		Dr. Moll
7.	Merseburg	Dr. Schwarzkopf
8.		Mathy
9.		von Dehn-Rotfelser
10.	Oppau	Dipl. Ing. Irgang
11.		Kuhn
12.	Wolfen-Film	Dr. Meyer
13.		Dr. Ross
14.	Management Office Sparte I	Dr. Goldberg
15.	Standby plants Vermittlungsstelle W	Dr. Duellberg
16.	Counterintelligence	Faubel
17.	Sparte I	Dr. Diekmann
18.		Dr. Pfaundler
19.	Sparte II	Dr. Gorr
20.		Dr. Kayser
21.		Dr. Wagner

Program

For the discussion on Mobilization Planning on 15 March 1939 in Berlin NW 7, Unter den Linden 82

1. General military economic preparations made by various states ..... Dr. Diekmann
2. Preparations for mobilization in German industry. Position of preparations for mobilization in the IG plants ..... Dr. Kayser
3. Preparations for mobilization and plants air-raid defense. Transportation problems ..... Dr. Pfaundler
4. Safeguarding of labor supply ..... Dr. Vorlaender
5. Preparations for mobilization and security question .. Faubel
6. Preliminary work on a smooth conversion of our factories

from peacetime to mobilization production; mobilization order; change of shifts; transportation for personnel; change of quarters.

Dr. Schwarzkopf
(MS: Schwarzkopf)

*Headings of the Mobilization Plan**

1. Production.
2. Supply of raw materials.
3. Supply of auxiliary materials.
4. Supply of fuel.
5. Distribution of production.
6. Transportation of incoming goods.
7. Power supply.
8. Peacetime measures.
9. Mobilization time table.
10. General information on the organization and technical arrangements in the plants.
    - *a.* Plan of the site of the plants, 1 : 10,000 or 1 : 25,000.
    - *b.* Addresses of the factories and their management.
    - *c.* Addresses of the competent authorities.
    - *d.* Organization of the plants.
    - *e.* Particularly important surveys of the plants.
    - *f.* Standby plants and new structures.
    - *g.* Production figures.
    - *h.* Stocks held and storage facilities.
11. General information on personnel.
    - *a.* Safeguarding of labor supply.
    - *b.* Filling of the most important plant posts.
    - *c.* Shift program.
    - *d.* Transportation of personnel to and from work.
    - *e.* Changing of quarters of personnel.
    - *f.* Problems of food supply.
12. Plan for the prevention of sabotage, factory defense, factory air-raid precautions.
13. Plans for alerts and mobilization orders.

* * * * * * *

* Very extensive minutes follow these "Headings of the Mobilization Plan," which deal with measures of industrial mobilization and the further discussion at the conference of the various points shown by these headings. The minutes also include a number of forms for use in connection with various aspects of industrial mobilization.

PROSECUTION EXHIBIT 2073
TRANSLATION OF DOCUMENT NI-14750

LETTER FROM FARBEN'S LEVERKUSEN PLANT TO VERMITTLUNGSSTELLE W, 3 MARCH 1939, DISCUSSING MOBILIZATION OF FARBEN'S PLANTS IN AUSTRIA

I.G. Leverkusen

W[Warnecke]/Kr Management Department 3 March 1939

[Stamp]

Secret

I.G. VERMITTLUNGSSTELLE W

Attention: Dr. Gorr

Berlin NW 7, Unter den Linden 82

Registered!

In reply to your letter of 25 February addressed to the undersigned, we advise you that the undersigned will take part in the Berlin meeting concerning plans for mobilization, on Friday, 10 March, 9:30 o'clock.

Dr. Kuehne has noted the contents of your letter of 28 February, and has instructed the undersigned to take the opportunity of his trip to Berlin at the end of next week to call on Dr. Pohland in the Reich Office for Economic Development, and to report to him on the project for the erection of a sulfuric acid factory at Moosbierbaum. We would be very much obliged to you if you could make an appointment with Dr. Pohland, probably best on Saturday morning, 11 March.

Dr. Kuehne agrees that you include the plants of Donau-Chemie A.G. into the general mobilization plans. He asks you, however, to particularly take into consideration that Donau Chemie A.G. must be considered an independent combine besides I.G. Farben. We suggest, therefore, also to discuss this matter with the undersigned on Friday, the 10th, before you contact the plants of Donau Chemie.

We herewith confirm Dr. Kayser's telephone call we just received, in the course of which he advised that the meeting has been postponed from Friday, 10 March, to Wednesday, 15 March. The undersigned will be available for this meeting on 15 March as well, and he asks to make the appointment with Dr. Pohland, if possible for Tuesday, 14 March. We would appreciate a short note concerning the date arranged in the meantime.

Management Department

PARTIAL TRANSLATION OF DOCUMENT NI-7121
PROSECUTION EXHIBIT 230

LETTER FROM THE REICH MINISTER OF ECONOMICS TO FARBEN'S LIAISON OFFICE WEHRMACHT, 5 JULY 1939, CONCERNING FARBEN'S LUDWIGSHAFEN-OPPAU PLANT AND SERIOUS QUESTIONS OF MILITARY ECONOMY RELATED THERETO

Copy

The Reich Minister of Economics
II Chem. 3637/39 g

Berlin W 8, 5 July 1939
Behrenstrasse 43

Secret!

To: I.G. Farbenindustrie
Attention: Dr. Gorr—or deputy
Berlin W 8, Unter den Linden 82

Subject: I.G. Farben, Ludwigshafen/Oppau Plant

The situation of your Ludwigshafen/Oppau plant which, from the military point of view, must be considered most perilous, and which already has often been discussed with the officials of Vermittlungsstelle W, has led to the discussion of the problems arising from it in a Reich Ministry of Economics conference in conjunction with representatives of the High Command of the Wehrmacht and the Reich Plenipotentiary for Chemistry. This discussion took place on 26 June under the chairmanship of Ministerialdirigent Mulert in the presence of representatives of I.G. Farbenindustrie.

[Handwritten Note: 22 June]

Firstly, it was explained that all the main building projects in Ludwigshafen/Oppau, except the Oppanol plant, the fatty acid plant, and the nitrogen extension, are practically completed. The plant for the production of polysuperamide is the only one which has just been started.

In order to assure that further additions to the Ludwigshafen/Oppau plant shall in no circumstances be made, if considerations of military economy make this seem inadvisable, I request that in future the Reich Ministry of Economics be informed of all new plans for expansion in sufficiently good time for objections to be made to the execution of these plans and for the extension to be stopped, insofar as this is necessary for reasons of military economy. Letters on this subject are to be sent directly to the Reich Ministry of Economics, attention of Ministerialdirigent Dr. Mulert, quoting the subject heading, "Examination of Building Projects from the Point of View of Military Economy."

In the discussion of individual products produced in the plant, which are totally, or almost totally, produced in Ludwigshafen/Oppau, it became apparent that an improvement of this situation (which, from the point of view of mobilization, is extremely grave), is possible only in part. In connection with this, the following courses are to be differentiated:

I. Products, the production of which can be transferred by I.G. Farben to other plants in peacetime.

II. Products, the production of which can be arranged without much difficulty in other IG plants in the event of mobilization.

III. Products which cannot be transferred at short notice, but of which it is possible, by means of increased production in the plants at present not fully exploited, to make supplies available for stockpiling.

Independent of the possibilities already discussed for individual materials, I should like you to examine rapidly what suitable measures you would suggest to take in connection with the products concerned. In view of the fact that the appended list* (compiled from the data available here) is incomplete, I request you to supplement it with whatever further information is necessary. With regard to the materials which definitely come into question for stockpiling, I repeat that the quantity of urea to be stored is to be estimated at 10,000 tons and of ethylene glycol, probably 1,000 tons.

As resolved during the conference, the large share taken by the Ludwigshafen/Oppau Works as late as 1938 in the production of dinitrodiphenylamine, beta naphthol, dimethylaniline, pure nickel, and brown oxide, should be considerably reduced in the meantime by extensions and stand-by plants. I request detailed confirmation of this.

In view of the urgency of the situation I should be grateful for immediate action.

By order

Signed: DR. LENZ

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* The appended list is entitled "List of products which are wholly or principally produced in the IG Plants Ludwigshafen and Oppau"; 28 products are listed. A copy of this letter of the Reich Ministry of Economics was sent to the High Command of the Wehrmacht, attention Col. Becht or deputy.

TRANSLATION OF DOCUMENT NI-7124
PROSECUTION EXHIBIT 232

LETTER FROM FARBEN'S LIAISON OFFICE WEHRMACHT TO THE REICH MINISTRY OF ECONOMICS, 7 JULY 1939, CONCERNING THE "TRANSFER OF STORES OF PRODUCTS ESSENTIAL TO MILITARY ECONOMY FROM LUDWIGSHAFEN AND OPPAU"

I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W
[Stamp]
Military Economics Staff
Raw Materials Dept. III
10 July 1939
Ref. No. 65
Journal No. 3029/39 Secret

Secret

Reich Ministry of Economics
Att: Ministerialdirigent Dr. Mulert
Berlin W 8, Behrenstrasse 43

Dr. G/S 7 July 1939

Transfer of stores of products essential to military economy from Ludwigshafen and Oppau

With reference to the conference at the Reich Ministry of Economics on 22 June of this year and, further, to our letter of the 5th of this month,* we send you additional information with regard to the transfer from Ludwigshafen of products essential to military economy.

[Handwritten marginal note: 12/7 Inform the departments regarding the various substances.]

Unfortunately, we have been unable up to now to make more detailed estimates of prospective mobilization requirements with respect to individual products. We have therefore restricted ourselves to taking as a basis for our stockpiling considerations the mobilization production plans which we submitted some time ago to the Reich Plenipotentiary for Chemistry, Dr. Ungewitter. We ask you therefore to regard the following points as our first suggestions. As for the rest, we consider it most expedient to store the products concerned, as far as possible, since such a procedure will cost least and is the quickest way of achieving the object in view. The establishment of new plants by rebuilding the installations available elsewhere, or by construction of new factories, is only recommended by us in those cases in which stockpiling can-

* Reproduced immediately above.

not be effected quickly enough or where it cannot be effected at all. In general, it would, in any case, seem unreasonable to build new factories at the moment, owing to the existing shortage of materials and skilled labor.

If a stockpiling policy is adopted, we intend to store the reserves at Gerthe, where sufficient storage space is available. But even stockpiling can only be carried out if the necessary packing materials (jute bags, wooden or iron casks), or the raw materials for them, are allocated to us. In some cases, the production for reserve stocks will only be possible if additional labor is made available to us to cope with the additional work involved. How much importance we must ascribe to this point can be seen from the fact that already today we are short of 700 workers in our Ludwigshafen and Oppau plant, which might become necessary.

Our attitude to various projects under discussion is as follows:

[Handwritten] Conference at the Reich Ministry of Economics on 18 July 1939, with Lenz, Kraft, Gorr. Mu and Zw.

1*a*. *Polystyrene.* The only producer is Ludwigshafen. A further place of production for monomerous styrene is Schkopau, with 700 tons per month. Beyond that, the extension of production capacity to 1,500 tons per month of monomerous styrene is being carried out. Furthermore, from the middle of 1940 onward, Huels will have attained an equal production capacity of monomerous styrene. We shall report to you shortly about the possibility of setting up a polystyrene plant at Schkopau or Huels. It can be assumed that the necessary quantity of monomerous styrene can be made available from the large productions at Schkopau and Huels.

In the near future, stockpiling of styrene only can be considered, which will, however, not be possible before January 1940, with approximately 150 tons per month. For this, 1,200 wooden casks with tin lining are required per month. Furthermore, 18 workers should be made available to us in order to increase the production accordingly.

b. *Polystyrene EF.* Ludwigshafen is the sole producer of this product also, but even now it can be produced at Schkopau in small quantities at any time.

2. *Igelit MP.* At present, the only place of production is Ludwigshafen. The setting-up of a new plant would involve extremely large expenses and would require a construction period of many years. We have therefore refrained from estimating the costs for the materials required, all the more since stockpiling of approximately 100 tons per month will be possible from October of this year onward. For this, 3,000 lined jute bags per month

would be required. Furthermore four workers would have to be assigned to us.

[Handwritten marginal note] Stockpile 150 tons, inclusive of packing.

3. *Synthetic Resin AE 2.* For most purposes, this product can be replaced by the alkydal produced in our Uerdingen plant, so that we do not consider it absolutely necessary to secure supplies of this product for the event of mobilization. Besides, there is no possibility for stockpiling at present, owing to the lack of appropriate facilities.

4. *Ramasit.* A second plant for the production of ramasit apart from Ludwigshafen is not available. Because of the short life of the product, storing of ramasit is out of the question. The setting up of a mobilization plant in Schkopau is being worked on by us. We shall report to you on the project shortly.

5. *Nekal.* It is a question mainly of the BXS brand, which is required for the production of the fire-extinguishing agent, Tutogen. As Schkopau is in a position to produce at any time the necessary quantities of Nekal BXS in already existing plants, all measures to secure production should be unnecessary.

[Handwritten marginal note] Reich Ministry of Economics: According to Schkopau.

6. *Palatinol* [*ethyl phthalate*]. Although Ludwigshafen is at present the sole producer, the possibility exisits of substituting other plasticizers for palatinol, if necessary, such as tricresyl phosphate. Furthermore, stockpiling of this product up to 50 tons per month is feasible, for which 100 iron drums per month would be required.

7. *Tanigans.* As the products from Ludwigshafen represent only (so-called) additional tannins, which are used first of all as admixture to natural tannins to obtain first-grade leather, we do not consider it absolutely necessary to take special measures to secure production. In any case, stockpiling of 70 tons per month is possible. For this, 675 oak and 400 beech casks per month are required. We would also need 12 workers.

8. *Phthalic Anhydride.* At the present time there is already considerable production capacity in Schkopau (about 225 tons per month). Beyond this, an extension of the plant in Schkopau to produce further 150 tons per month has been planned. Stockpiling of the above product is not possible at the present time.

[Handwritten: Similar to the ethyl chlorine plant!]

9. *Glycol.* Stockpiling of this product cannot be carried out at the present time. On the other hand, it does seem possible to produce an additional 100 tons per month of glycol, in addition to the amounts of diglycol envisaged, in the stand-by plants Wolfen (in operation), Schkopau (ready for operation at the

beginning of 1940), and Huels (ready for operation by the middle of 1940). The additional amounts of ethylene oxide required for this are available from Zweckel and Holten.

[Handwritten marginal note] Upon requirement by the Army Ordnance Office.

10. *Normal butyl alcohol.* In addition to Hoechst and Wacker, normal butyl alcohol is also being produced by Schkopau and, beginning with the middle of 1940, by Huels. We consider the position to be so secure that no particular measures are required, particularly since the total production capacity of the plants mentioned is several times as large as that of Ludwigshafen.

11. *Anol* [*Propensyl phenol (para)*].

12. *Anon* [*cyclohexanone*]. Ludwigshafen is not the sole producer. Anol is also being produced by Dehydag and by Aussig. Aussig also produces Anon. In addition, it is at present possible already to produce about 200 tons of Anol per month in Leuna. Particular measures for guaranteeing production therefore do not seem necessary to us.

13. *Dinitrodiphenylamine.* The situation here no longer seems critical, since the stand-by plant which is planned in Wolfen will be ready for operation as early as this fall, with a monthly capacity of 125 tons. A further stand-by plant will be available by the spring of next year in Doeberitz, capacity also 125 tons per month. If so desired, stockpiling of about 30 tons per month would be possible today already. For this, 300 lined jute bags per month would be required. In addition 10 workers would have to be assigned to us.

14. *Dimethylaniline.* As far as we know, dimethylaniline is no longer required for the production of explosives. Besides, Uerdingen can produce about 45 tons of this product per month. Stockpiling with about 40 tons per month is also possible, for which 80 iron drums per month would be required, and 3 workers would have to be assigned.

15. *Orthotoluenesulfamide.* In addition to Ludwigshafen, there are also production plants at Heyden and Fahlberg-List. If this should seem necessary, about 25 tons per month could be stored. For this, 250 lined jute bags per month would be required. In addition, 18 workers would have to be assigned to us.

16. *Phenylbetanaphthylamine.* At the present time a further plant for the production of the above product is planned in Huels. We have already stored 800 tons of phenylbetanaphthylamine. Further stockpiling is projected. Concerning the amount of this, we shall communicate with you further.

17. *Beta naphthol.* Beta naphthol is being produced at Hoechst, as well as at Ludwigshafen. Both have about the same produc-

tion capacity. In our judgment, Hoechst is in a position to cover the total mobilization requirements of the above product.

18. *Maleic Acid.* Ludwigshafen is the sole producer. Stockpiling can be carried out comparatively rapidly; 30 tons can be stored per month, for which 200 wooden casks per month would be required. Further measures for guaranteeing production do not seem necessary at the present time.

19. *Hydrosulfite.* Ludwigshafen is the principal producer. In addition Englert and Becker, Prague, have a capacity of about 25 tons per month, and in Hruschau (Protectorate) about 200 tons per month can be produced. In addition, in our opinion, Brueggemann, Heilbronn, could change over to hydrosulfite. The costs of erecting a plant, including starting material, at another location, will be estimated by us and communicated to you shortly.
[Handwritten marginal note: Hruschau out of question, since too close to border. We are not interested!]

As of 1 January 1940, moreover, stockpiling of about 300 tons per month is possible, for which 400 corrugated iron drums per month would be required. In addition, about 20 workers would have to be assigned to us. Incidentally at present we have at our disposal 1,500 tons of the product.

20. *Sodium Sulfite.* In addition to one at Ludwigshafen, there is a production center at Heyden (about 90 tons per month), at Suhr (presumably 80 tons per month), in Aussig (about 40 tons per month), and Liesing (about 20 tons per month). In case of need, there is the possibility of producing at our plants at Hoechst, Leverkusen, and Wolfen, anhydrous sulfite from material containing water (150–200 tons per month). Moreover, beginning immediately, stockpiling at the rate of 300 tons per month is possible, for which 1,500 corrugated iron drums per month and the assignment of 6 workers would be required.
[Handwritten: 1. No expansion of Hoechst; 2. Stockpiling 1,000 tons; 3. illegible]

21. *Zinc Chloride.* In addition to Ludwigshafen, there are the following producers: Goldschmidt (presumably 500 tons per month), Marquardt (presumably 40 tons per month), Aussig (about 300 tons per month in the form of lye).

In case of need, zinc chloride could also be produced in Leverkusen, Hoechst, and Wolfen (together, about 220 tons per month).

We propose stockpiling at the rate of 100 tons per month up to a total stockpile of 3,000 tons. For this, about 500 drums per month would be required, and 10 workers would have to be assigned to us.
[Handwritten: Stockpile 1,800 tons]

22. *Carbon Black.* Since carbon black is being produced at various places other than Ludwigshafen with a production of

presumably more than 2,000 tons, we believe that special measures to guarantee production are not required. Stockpiling would also be impossible at the moment, due to lack of facilities.

23. *Vanadium Contact.* In addition to Ludwigshafen, vanadium contact is also being produced in Aussig and Hruschau (together, about 16 cubic meters per month) ; 90 cubic meters are already stockpiled at other IG plants. We propose further stockpiling at the rate of about 30 cubic meters per month to a total of 240 cubic meters. For this, 150 corrugated iron drums would be required. However, the assignment of two workers would be necessary.

[Handwritten: Hruschau is out.]

Concerning further products for which there is, in addition to Ludwigshafen, no additional IG production point, we shall make a report to you later on.

As already mentioned, we request that you consider the above statements as being an initial statement of opinion on our part.

We repeat our proposal that we be informed in sufficient time with regard to which of the above products you feel that it is necessary to take special measures to guarantee production on the basis of our statements, in order that we may then, preferably in personal interviews, discuss the details of procedure, particularly the regulation of the matter of costs and the questions of obtaining containers and workers.

[Handwritten: Farben to make offers accordingly, including price and packing material, showing requirements of iron, etc. Zw 18/7]

Heil Hitler!
Vermittlungsstelle W
Signed: GORR

Copy to:
Oberregierungsrat Dr. Mureck, W Staff
Dr. Ungewitter, Control Office Chemistry
Oberregierungsrat Dr. Lenz, Reich Ministry of Economics

TRANSLATION OF DOCUMENT NI–7209
PROSECUTION EXHIBIT 741

CIRCULAR LETTER OF VERMITTLUNGSSTELLE W, 7 JULY 1939, CONCERNING THE SUPPLY OF FOOD TO FARBEN PLANTS IN CASE OF WAR*

I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W

Dr. K/Bl

Berlin NW 7, 7 July 1939
Unter den Linden 82

Secret!

[The distribution of this circular shows that it was sent to twenty persons "for" twenty-nine plants and "for information" to three other offices or departments of Farben.]

Circular

Re: Supply of food to our plants in case of war
Our Circular of 22 June 1939

With reference to our circular concerning the supply of food in the A-Fall, we wish to inform you that the Ministry of Food and Agriculture (Ministerialrat Dr. Dietrich) has requested to be informed of the number of workers who, in the A-Fall,—

1. will be given additional food by the plants for the whole day,

[Handwritten note: 500]

2. will receive additionally only *one* warm meal,

[Handwritten note: 2000 Griesheim]

3. will be evacuated from an outlying district of the plant and will be lodged in a place nearer to the plant giving the name of the new place of lodgment,

[Handwritten note: 500 (*a*) bachelors' home of the plant 150, (*b*) Domestic Science School, (*c*) Mess halls & schools]

4. will work in undercover factories; it should be stated whether the individuals will be fed by the plants in canteens or whether they will be lodged in private quarters, that is, will provide for themselves.

In all cases, the place and date of assignment (1, 2, 3 * * * mobilization day) must be stated.

The Ministry of Food requires this information in order to give the necessary instructions to its subsidiary offices, so that by depositing the corresponding identification cards in the different localities, either the distribution of food can be assured or, by allotting suitable supply bases, the required quantities of rations can be directed to where they are needed.

---

* For further materials related to storage and mobilization planning, see section I, "Stockpiling, Storage of Materials, and Dispersal of Production," below.

We were again reminded that, in view of the difficulties expected to arise in transport and procurement, it is urgently desired that a sufficient stock of provisions for 3 to 4 weeks should be kept, taking into consideration the extent of personnel in case of mobilization. The Reich Ministry of Food and Agriculture promised to instruct its subsidiary offices to give us every assistance in the stockpiling.

Please let us have the necessary information, in order that we can pass this on to the Reich Ministry of Food and Agriculture.

Vermittlungsstelle W.

Signed: KAYSER

PARTIAL TRANSLATION OF DOCUMENT NI-13554
PROSECUTION EXHIBIT 1948

EXTRACTS FROM A CONFIDENTIAL REPORT ON A CONFERENCE AT FARBEN'S WOLFEN PLANT, 12 JULY 1939, ATTENDED BY DEFENDANT GAJEWSKI

Present: [the defendant] Dr. Gajewski CONFIDENTIAL
Dr. Esselmann
Dr. Miller
Dir. Riess
Dr. Schulze

1. Gajewski stated that, as arranged with Dr. Osterburg, Dr. Fink will be transferred to Rottweil to take the place of Dr. Eble, deceased. The transfer will be announced in a circular here in the plant.

* * * * * * *

3. Gajewski announced that he and several other members of the film factory had received a document with highly treasonable contents from abroad. The various department and plant chiefs are requested to draw the special attention of their employees to the fact that documents of this kind are to be handed over to the appropriate office in the plant immediately and their contents are not to be revealed in the plant; otherwise, exceedingly severe penalties may be expected. In addition, it is to be pointed out that it is everyone's duty to oppose the spreading of all rumors that appear, such as the one about the ban on leave which is to be expected in the plant.

4. The members of the staff who are working in new experimental fields are to be especially reminded once again of their duty to maintain secrecy, since the persons concerned will suffer grave consequences for violations, such as giving information about new experiments, showing samples which are supposed to be handled confidentially, etc.

5. Gajewski pointed out that under present conditions it is necessary to store considerable stocks of all kinds of materials, such as—

a. Nonperishable foods; for example, pulses, rice, sugar, preserved meats, preserved fruit, jam, fats, potatoes, et cetera.

b. Raw materials necessary for operations; for instance, lumber, linters, cellulose, cellite, gasoline, silver nitrate, gelatin, carbon disulfide, anhydride, glacial acetic acid, et cetera.[1]

6. In reply to Gajewski's question, Riess reported on the state of the air-raid protection preparations:

a. Installations for defense measures.

b. Supply of gas masks for employees.

c. Shelters for the passive crew [passive Belegschaft].[2]

d. The air-raid drills which are to take place in the near future. On 13 July a tour of the air-raid protection installations of the film factory is to take place.

7. It is to be determined whether, in case of war, the gentlemen living some distance away and who are essential to operations could be accommodated in the houses of the Wolfen settlement as long as traffic is disrupted.

8. It is to be expected that there will be difficulties (transfer of personnel, traffic regulations) for organizational reasons as soon as wartime measures are started. Therefore, it should be checked to what extent changes or closing down will have to take place in the plants. With regard to the film factory, it is planned to close down the foundry gradually.

* * * * * * *

Wolfen, 12 July 1939
Dr. Sch/W

Signed: DR. SCHULZE

---

[1] See section I, "Stockpiling, Storage of Material, and Dispersal of Production."

[2] Those workers who, in case of an air raid, could go into shelters, in contrast to the active crew, which had to keep on working during an air raid.

PARTIAL TRANSLATION OF DOCUMENT NI-8364
PROSECUTION EXHIBIT 742

LETTER FROM DR. UNGEWITTER CONCERNING STOCKPILING, AND CIRCULAR LETTER OF FARBEN'S LIAISON OFFICE WEHRMACHT TRANSMITTING COPIES OF THIS LETTER WITH FURTHER INSTRUCTIONS

1. Letter of Dr. Ungewitter, 2 August 1939

The Reich Plenipotentiary for Chemistry

Berlin W. 35, 2 August 1939
Sigismundstr. 6
Dr. Hy/Br, No. 2731/39 g
2 copies, 1 copy

SECRET !

Registered!

Dr. Kayser
c/o I.G. Farbenindustrie A.G.
Vermittlungsstelle W, Berlin NW 7
Unter den Linden 82

Re: Maintenance of Stockpiles of Raw and Auxiliary Materials for Carrying Out of the Mobilization Instructions for All Your Plants.

The basic principle must be that you stockpile those raw and auxiliary materials which you have listed on page 2 and 3 of the mobilization orders which were issued to you.

In agreement with the Reich Ministry of Economics, *I accordingly direct you to stockpile that amount of the raw and auxiliary materials indicated by you as necessary for the execution of the mobilization order, which will cover the requirements for 3 months, according to this mobilization order.*

Such raw and auxiliary materials as cannot be stored on account of their lack of durability are *exempted* from this obligation. It is, however, incumbent upon you to register as priority transports the quantities of these materials required for the first 4 weeks, from the beginning of mobilization on, with the military-economic agency concerned. If, in your opinion, any other reason should exist why the procurement of 3 months' requirement of one or other of the auxiliary materials would not be feasible, please inform me of this without delay. I would expressly call to your attention that no mention whatever must be made to your suppliers regarding the fact that the procurement is necessary for carrying out the mobilization order. For rationed raw and auxil-

iary materials, that is, for such as can only be obtained on presentation of certificates or other permits issued by a control office, the application for procurement for the purpose stated in the above heading must be channelled through me. The forms must likewise contain no reference to the mobilization order as the reason for the request nor must they show your position as a military plant [W-Betrieb].

For goods which can only be obtained from abroad and which you yourselves import in the normal course of business, similar applications must also be directed to me personally. In this case too, the application form must omit any indication of the purpose of the requirement. With regard to imports which you obtain from importers, the required quantities and other particulars of quality necessary for the ordering of the goods, together with the name of the importer, must likewise be reported to me personally. In these cases, I will, as far as possible, arrange that the importer obtain the goods for you.

Please inform me as soon as possible that the directions issued to you for stockpiling have been carried out. Should you already have sufficient stocks for the execution of the order issued to you, please let me know this as well.

Reich Plenipotentiary for Chemistry
[Signed]: UNGEWITTER

2. Circular Letter of Farben's Liaison Office Wehrmacht, 12 August 1939, concerning Dr. Ungewitter's letter of 2 August 1939

I.G. Farbentindustrie Aktiengesellschaft
Vermittlungstelle W

[Stamp:]
Received 14 August 1939
Berlin, NW 7, Unter den Linden 82
Local telephone No. 120021
Long Dist. telephone No. 126400

SECRET !

To Dir. Dr. Kraenzlein, for HOECHST Plant

Our Reference: Dr. K/Wr
Berlin, 12 August, 1939

Re: Stockpiling of Raw and Auxiliary Materials for the Carrying out of the Mobilization Program

We are herewith sending you attached copy of a letter from the Reich Plenipotentiary for Chemistry of 2 August 39 for your information.* In a discussion with Dr. Ungewitter, we have

* This letter is reproduced immediately above.

explained the impracticability of the requirement, both for supply and warehousing on technical reasons, and have also pointed out that the required storage would involve expenditures which could not be borne by IG. Dr. Ungewitter quite saw the impracticability of the 3-months' supply but asked us, however, to give *him a report on the present stocks of raw materials* held by IG, giving at the same time an explanation on the difficulties in the way of the further storage, such as limited warehouse capacity at the plants, limited delivery facilities of our suppliers of raw materials, limited transport facilities, and so forth.

We would therefore request you to complete the enclosed form concerning the *amount of stocks and storage facilities (this means warehouse capacity) of the articles listed in approximate figures and return it to us in the shortest possible time.*

Under "Remarks," please state *briefly the obstacles to further stockpiling.* If it should seem important to you to include statements about other raw materials not listed, please add these.

In this connection, we would refer you to the official inquiry of November of last year. (See our circular of 2 November 39 * re Stockpiling).

Vermittlungsstelle W
[Signed] KAYSER

Enclosures
REGISTERED!

* The date "2 November 39," as given in the original document, is an error and should have been "2 November 1938." The instant circular itself was written on 12 August 1939 and it refers to the "official inquiry in November of last year." The circular of 2 November 1938 is in evidence as Prosecution Exhibit 736 (NI-8363) and it is reproduced below in section I, "Stockpiling, Storage of Materials and Dispersal of Production".

TRANSLATION OF DOCUMENT NI–13535
PROSECUTION EXHIBIT 1949

MEMORANDUM TO DEFENDANT GAJEWSKI, 26 AUGUST 1939, CONCERNING CHANGES IN CASE OF WAR

Important
Secret
[Handwritten] 127/6–3
26 August 1939

To: Direktor Dr. Gajewski, Wolfen

Enclosed find a list re the "study of changes in purchasing in case of war." Most of the foreign products concern Sparte II. The list will therefore be thoroughly discussed with Dr. Struss during the next few days.
Berlin SO. 36, 26 August 1939

[Stamp]
Secretariat Dr. Gajewski
[Handwritten] 28 August 1939

Central Purchasing Dept., Berlin SO 36 re 127/6–3
[Handwritten] 26 August 1939
August 1939
[Stamp] Secretariat Dr. Gajewski
[Handwritten] 28 August 1939

Investigations Regarding Changes in Purchasing in Case of War

The products marked with a red R should be obtainable from Russia in the not-too-distant future as a consequence of the treaty with Russia.

Product	*Imports in 1938 in RM 1,000*	
Iron pyrites	7,997	(Mediterranean) Mainly from Spanish mines owned by British. Possibly continuation of deliveries, if Mediterranean is free for us. Enemy group; difficulties. Supplies through increased use of Meggen pyrites, through sulfuric acid from calcium sulfate, metallic acid, and elementary sulfur from Italy.

Product	*Imports in 1938 in RM 1,000*	
Phosphate	R5,200	Enemy group (French and American mines). Difficulties.
Nickel Matte	6,645	Enemy group (Canadian mines). Difficulties.
Tungsten ore	5,994	China. Continued purchase via Starck, Amsterdam.
Molybdenum ore	3,977	Climax (U.S.A.) enemy group. Anaconda (Canada) enemy group. Knaben Gruber, Norway—small amounts.
Jute sacks	3,454	Enemy group. Change to paper or paper-flax-hemp mixture. May be possible to obtain textiles from neutral countries.
Crude linters	R3,387	Purchases may cease. Change to cellulose.
Silver	R2,773	Obtain from neutral countries.
Cellulose	2,210	Purchases may cease. In case of shortage obtain from Scandinavia.
Mercury	2,123	Italy can supply entire requirements.
Benzene	1,643	Purchases from abroad may cease entirely.
Chromium ore	R1,492	Change to Balkans (Turkey and Yugoslavia) even if quantity and quality will at first be doubtful. Large stocks available (1 year).
Copper	R1,479	Obtain from neutral countries.
Titanium ore	857	Norway as at present.

Product	*Imports in 1938 in RM 1,000*	
Linseed oil	R851	Obtain through neutral countries.
Glycerin	R570	
Castor oil (seed)	R520	
Oil of turpentine	R534	U.S.A. and Portugal. Must try to obtain as large a quantity as possible from Portugal to replace deficit from U.S.A.
Lead	R521	Obtain from neutral countries.
Crude rubber	374	Replace by buna.
Pitch pine wood	347	Must use indigenous substitute; Styrian larch.
Cotton	R331	Obtain from neutral countries, part replacement by PC [synthetic fiber] for filter cloths, etc.
Blubber sperm oil	305	From Norway.
Bauxite	268	Change to Yugoslav and Hungarian bauxite though quality worse and only usable for deferrization at greater expenditure.
Animal organs	233	Attempt to continue import through neutral countries.
Tin	231	From neutral countries.
Quinine preparations	204	(Netherlands East Indies) From Holland or other neutral countries.
Machines, apparatus, spare parts	203	Continue purchasing from Switzerland and/or for [sic] America from neutral countries.

Product	*Imports in 1938 in RM 1,000*	
Manganese dioxide	R164	(Java) Continue obtaining via Holland.
Ascorbic acid	160	(U.S.A. and Switzerland) Continue obtaining from Switzerland.
Sperm oil/Olein	159	Same as blubber sperm oil.
Estrone	139	(France) Obtain from neutral countries.
Antimony ore/ Antimony oxide	131	If recognized as vital for warfare, obtain from Yugoslavia, possibly Spain, possibly change to ordinary antimony.
Iron sponge	128	(Sweden) Obtain from Sweden as at present.
Aromatics	113	Obtain via neutral countries.
Theobromine	95	(Holland) Obtain from Holland as at present.
Bismuth	78	(U.S.A.) Obtain via neutral countries.
Sardine blubber	68	(Japan) Obtain from neutral countries.
Resin	62	(U.S.A.) Attempt to continue obtaining through neutral countries as far as complete change to German resin is not possible.
Casein	44	(New Zealand) Continue to obtain via neutral countries. Increase use of indigenous yield of casein.

Product	*Imports in 1938 in RM 1,000*	
Powdered arsene	38	Obtain from Sweden and Belgium as at present.
Corn	R37	(Argentine) Transfer to Balkans.
Vulcanite dust [Hartgummistaub]	34	(England).
Magnesia	31	(Holland) Obtain from Holland as at present.
Pyridine bases	26	(England) Obtain via neutral countries.
Monel material	23	(Canada) Obtain via neutral countries.
Orthoanisidine	20	(Switzerland) Obtain from Switzerland.
Crude iodine	20	(Chile) Continue obtaining from neutral countries. Difficulties because of control by the International Iodine Syndicate.
	Procurement in 1938 in RM 1,000	
Sodium Iodide	86	(From indigenous manufacturers) Further procurement as for crude iodine.

PARTIAL TRANSLATION OF DOCUMENT NI–7212
PROSECUTION EXHIBIT 244

INSTRUCTIONS OF VERMITTLUNGSSTELLE W TO FARBEN'S HOECHST PLANT, 25 AUGUST 1939, CONCERNING PROCUREMENT OF MACHINERY AND EQUIPMENT IN CASE OF MOBILIZATION

I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W

[Rubber Stamp]

Received on 26 Aug. 1939

[Initials]

[Handwritten note:]

Direktor Jaehne

Berlin NW 7
Unter den Linden 82
for local calls 120021
for trunk calls 126401

To Direktor Dr. Kraenzlein
for the Hoechst Plant

Secret !

* * *

Your file marks	Your letter of	Our file number (State in your reply)	Berlin 25 Aug. 1939

Subject: Procurement of large machinery and finished apparatus in case of mobilization.

The allocation of raw and auxiliary material for the maintenance of our production plants is to be handled in case of emergency approximately in accordance with present distribution regulations, that is, the Economic Groups are to continue to supply their member firms with iron, wood, and other raw materials for repairs, including spare parts and reserve parts, from their maintenance quota. As far as current construction work is to be completed, the authorities in charge of the quotas have also to continue to take care of the allocation of material.

In view of the extensive task of the machinery and apparatus construction industry in case of mobilization, the delivery of large machinery and finished apparatus to our plants may, however, meet with difficulties in cases where considerable time

(about 6 months and more) is required for the completion of such machines.

[The balance of the text contains further details on the handling of this problem.]

* * * * * * *

Vermittlungsstelle W
Signed: DIEKMANN

TRANSLATION OF DOCUMENT NI-8778*
PROSECUTION EXHIBIT 262

TELETYPE FROM VERMITTLUNGSSTELLE W TO FARBEN'S HOECHST PLANT, 28 AUGUST 1939, CONCERNING MESSAGES TO VERMITTLUNGSSTELLE W ON A 24-HOUR BASIS

[Stamp]
I.G. HOECHST
28 August 39 16–17
Teletype

I.G. HOECHST

Teletype, Telephone 424

TELETYPE from Berlin L 6 28 Aug 39, 15:11

Receiver: Dr. Kraenzlein, Hoechst

For the time being Vermittlungsstelle W can be reached from 8 a.m. until 8 p.m. by teletype and by telephone; from 8 p.m. until 8 a.m. teletype of Nitrogen Syndicate transmits news by telephone to members of Vermittlungsstelle W.

Teletype is to be used in preference to anything else because of security and speed of transmission of news.

Vermittlungsstelle W Berlin L

[Handwritten note: This copy to Dr. Lange for his information]
[Handwritten] 2 Initials [illegible] 28 August.

* Photographic reproduction of this document appears in the appendix, volume VIII, this series.

TRANSLATION OF DOCUMENT NI–2765
PROSECUTION EXHIBIT 264

TELETYPE FROM VERMITTLUNGSSTELLE W TO DR. STRUSS, 3 SEPTEMBER 1939, ANNOUNCING THAT MOBILIZATION PRODUCTION PLANS ARE IN EFFECT

I.G. Frankfurt

Central Teletype Office

Basement—Q5, Room 950

Tel. 2270 Tel. acceptance 2547

Berlin L 3 September 39 21.55 for Dir. Dr. Struss if necessary deliver to his apartment

Urgent

Dr. Ungewitter, acting on orders of the Reich Ministry of Economics, has just instructed all IG plants to switch at once to the production outlined in the mobilization program. The minimum production recently fixed for Ludwigshafen and Oppau also goes into effect immediately with few changes. Insofar as the reserves of workers resulting herefrom at Ludwigshafen and Oppau cannot be utilized effectively in the plant, they are to remain in readiness for employment elsewhere within IG. Our plants have been notified by teletype.

Vermittlungsstelle W

TRANSLATION OF DOCUMENT NI-8882
PROSECUTION EXHIBIT 266

LETTER OF VERMITTLUNGSSTELLE W TO FARBEN'S HOECHST PLANT, 6 SEPTEMBER 1939, ANNOUNCING THAT WAR CONTRACTS BECOME EFFECTIVE IMMEDIATELY

I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W

Received 8 Sept. 1939

Berlin NW 7, Unter den Linden 82
local calls 12 00 21
long distance calls 126401

I.G. Farbenindustrie Aktiengesellschaft — Secret!
Attention: Dir. Dr. Kraenzlein
Frankfurt/H, Hoechst
for the Hoechst Plant

Your reference — Ref. your letter of: — Reference (quote when replying)
Dr. Wg. /W Berlin
6 September 1939

Subject: War Contracts

We received the following circular letter today, copy of which we are sending to you for information:

Copy

Berlin W 35, 5.9. 1939
Viktoriastr. 34

Oberpraesident of Province Mark Brandenburg
District Economics Office of Military Economy District III [Wehrwirtschaftsbezirk]
Journal No.: Bez. W. A.-4-B. 4041/39.g

Very Urgent !

To Dr. Heinrich Diekmann
I.G. Farbenindustrie A.G., Vermittlungstelle W
Berlin N. 7, Unter den Linden 82 — *Registered!*

03/I, M. 2478

Subject: Implementation of War Contracts

By order of the military authorities, all war contracts become effective immediately.

Any questions arising from production or delivery of the

products which are to be manufactured by you under contract are to be addressed directly to the military departments with which the contract was concluded.

However, questions pertaining to the military-economic management of your plant will continue to be addressed to your competent Chamber of Industry and Trade or, in the case of small shops, to the competent Association of Artisans [Handwerksbetriebe].

I request *immediate* confirmation indicating that you have taken up production in accordance with instructions.

Insofar as contractual products are not manufactured by you, you are required to notify the subcontractors as quickly as possible.

By order

Signed: HINSCH
Certified:
Signed: signature
Office Employee

[Stamp]
Oberpresident of the Brandenburg Province
Military Economy Department

Vermittlungsstelle W.
Wagner

PARTIAL TRANSLATION OF DOCUMENT NI–4452 PROSECUTION EXHIBIT 265

EXTRACTS FROM THE MINUTES OF A SPECIAL MEETING OF SPARTE II AT FRANKFURT, 14 SEPTEMBER 1939, CONCERNING THE OUTBREAK OF WAR AND THE PUTTING IN EFFECT OF MOBILIZATION PLANS*

* * * * * * *

The meeting had been called to discuss the effects on the plants caused by the outbreak of the war. The prepared mobilization program, which embraces all manufacture by IG, became effective on 3 September 1939.

A brief report on the individual plants and spheres of work is given.

The field of dyestuffs

For the field of dyestuffs, the mobilization program provides for 50 percent of the manufacture of the year 1936, while the

* The minutes indicate that defendant ter Meer, chief of Sparte II, acted as chairman, and that the following defendants, among other persons, were present: Ambros, Buergin, Gajewski, Hoerlein, Jaehne, Kuehne, Lautenschlaeger, and Wurster. A handwritten pencil notation on the document indicates that in addition to the defendants present, the defendant Schmitz also received a copy.

distribution of the manufacture among the individual plants is left to IG. Each month, one-twelfth of the raw material provided for the program of manufacture can be used up. September is considered as the month of transition, because on 3 September 1939, all dye plants were operating at a considerably higher capacity than in 1936, and because the consumption of initial and intermediate products, as well as of the lots which had already been put to use, justifies a bigger production for September. If we should be approached with considerable additional demands for military purposes or for exports, requests for the allocation of the necessary initial products should be made in time through Vermittlungsstelle W.

* * * * * * *

Handling of credits

Credits on hand are not discussed, due to the changed situation. It is decided that the management of the works combines can give preliminary approval for credits up to RM 100,000 for war-essential projects, for construction of Ausweichanlagen, and for urgent replacements. The TEA office is to be informed currently in the usual manner of such tentatively approved credits.

All large construction projects will be taken care of as up to now by committees and, if necessary, they will be given prior approval by the Sparte chief.

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT NI–7126
PROSECUTION EXHIBIT 270

SUMMARY OF DISCUSSION OF THE WORKING STAFF CHEMISTRY, 12 SEPTEMBER 1939, CONCERNING MOBILIZATION TASK LUDWIGSHAFEN AND OPPAU PLANTS

* * * * * * *

SECRET

III

Conferences with IG

As a matter of principle, conferences are to take place with experts of IG and only in exceptional cases with Vermittlungsstelle W.

* * * * * * *

XIII

Mobilization Task Ludwigshafen and Oppau plants

Since neither the Reich War Ministry nor the High Command of the Wehrmacht has given an authoritative decision regarding the further treatment of the Ludwigshafen matter, Dr. Ungewitter declares that under these circumstances he cannot reject the proposal of Direktor Wurster. Accordingly he will, for the time being, give Direktor Wurster a free hand, expressly pointing out that neither the Reich War Ministry nor the High Command of the Armed Forces has given its consent. For Oppau the expressed wishes are to be approved. [Editor's note: This whole section crossed out in original].[1]

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT NI-7136
PROSECUTION EXHIBIT 267

SUMMARY OF DISCUSSION OF THE WORKING STAFF CHEMISTRY, 15 SEPTEMBER 1939, CONCERNING "MOBILIZATION TASK LUDWIGSHAFEN"[2]

SECRET

* * * * * * *

XII

Mobilization Task Ludwigshafen

In this connection the High Command of the Armed Forces states that:

1. There has been a conference between the chief of staff of Mr. Krauch and Colonel Becht.

2. The High Command of the Armed Forces has sent a communication to Krauch, in which the High Command of the Armed Forces demands the dismantling of various apparatus and their transportation to the East.

3. A communication was sent to the Reich Ministry of Economics, with a copy to "Chemistry" [Working Staff Chemistry], according to which Ludwigshafen is not to receive any greater task than the one assigned thus far.

Thus, it is decided that the task already assigned to IG for Ludwigshafen shall stand, with slight changes for really war-

[1] The defendant Wurster testified concerning this extract from the minutes (tr. pp. 10935 and 10936). This testimony is reproduced below in subsection H 4 *e*.

[2] This meeting was held under the chairmanship of Dr. Claus Ungewitter, Manager of the Economic Group Chemical Industry and Chief of the Control Office Chemistry, an organization subordinate to the Reich Ministry of Economics. Representatives from OKW and Working Staff Chemistry also attended.

important products from Wurster's program. In case demands for skilled workers are made to the IG at Ludwigshafen, IG must meet them, reducing the program to the level of the mobilization task. Supplies of iron pyrites are not to be accepted, except for a stock to cover the requirements for 8 days. The High Command of the Armed Forces advises that Mr. Krauch was asked to submit proposals for the removal of products vital to the war and the transportation from Ludwigshafen to the East of the apparatus required for them.

* * * * * * *

20 September 1939
Dr. Hy/Br [Hy–Heyl]

TRANSLATION OF DOCUMENT NI–7122
PROSECUTION EXHIBIT 268*

LETTERS FROM THE DEFENDANT KRAUCH TO GENERAL THOMAS, 25 SEPTEMBER 1939, CONCERNING THE TRANSFER OF CHEMICAL PLANTS FROM WESTERN TO CENTRAL AND EASTERN GERMANY

Minister President
Field Marshal Goering
Plenipotentiary
for the Four Year Plan

Berlin W 9, 25 September 1939
Saarlandstr. 128
10 copies 1st copy

The Plenipotentiary General
for Special Questions of
Chemical Production

[Initials] GT [Georg Thomas]
[Stamp]
Top Secret W Stb/Ro III
29 Sept. 1939
2448/39 g R–1 encl.

Reference: Dr. R./Hoe
Journal 1569/39 Top Secret

Brigadier General Thomas,
Military Economics Staff
Berlin W 62, Kurfuerstenstrasse 63/69

Your reference: File No. 66 b 61 W St b/W Ro III
No. 4834/39 g

Subject: Transfer of important chemical plants from the western border territories to Central and Eastern Germany

My dear General:

With reference to your letter of 15 September 1939 concerning the transfer of important chemical plants from the western border territories to Central and Eastern Germany, I can now let you know the result of a thorough investigation in regard to the *two* plants at *Ludwigshafen and Oppau* of the I.G. Farbenindustrie.

[Handwritten note: That's all that is required for the time being.] Thi [Thierer] 30/g

Following your suggestion, the plants have made for some time past a considerable effort to procure other accommodations in safe localities for the manufacture of military-economic products. For the past 12 months there has been in existence an *evacuation plan* in case of emergency, which mainly provides for the removal

* Krauch did not testify about this document. Dr. Boettcher made the following argumentation in his closing brief for Krauch:

"Exhibit No. 268, [Doc. NI–7122] Book 10, German page 41, English page 32. It results from these exhibits that it was General Thomas, and not [Krauch] who, approximately one year before the outbreak of the war, had suggested at the I. G. Works Ludwigshafen to create possibilities for the evacuation and transfer of production and to work out a corresponding plan for evacuation. This plan, which also included the evacuation and transfer of the entire works, was not taken seriously by the IG because it was practically impossible to carry it out. No proof of K's [Krauch's] knowledge of Hitler's plans of aggression."

of all essential finished products, *preliminary products, and raw materials,* as well as for the transfer of the *production plants.* What is more, many of the products particularly essential for war have already been transferred from these plants during the last few years, or else preparations have been made to carry on the necessary production under any circumstances in places safe from enemy interference. I have convinced myself that a large number of these measures are already being carried out or, if they were only recently decided upon, are now in the planning stage. The situation in regard to the various military-essential productions of the Ludwigshafen and Oppau plants can be seen in detail from the enclosure;* also the measures taken, or to be taken, in regard to the safeguarding of the production.

At the present moment nothing would be gained by going beyond the measures laid down in the enclosure, or by removing at once production apparatus of considerable size.

[Handwritten marginal note: Also not intended.]

Such dismantling would involve loss of the products concerned, which could hardly be tolerated, without furthering in any way the transfer arrangements which are being planned or are already being carried out. When fixing the time for the removal of large production plants—the dismantling in the Ludwigshafen and Oppau plants—it should, in my opinion, be considered whether these *installations can be fully used in their new locality.* Whether this is so depends in turn upon the *development stage of the new plants,* so that only a methodical adaption of the new buildings to the old equipment to be dismantled can have the desired effect.

In cases where an immediate dismantling of equipment does not assure production, the greatest military-economic results are achieved by keeping production of these materials in the Ludwigshafen and Oppau plants at the maximum level as long as possible, transferring the products immediately to safe places, and starting dismantling only when the equipment can be installed at the new place with the least expenditure of time.

I have ascertained that the Ludwigshafen and Oppau plants, on the strength of directives or suggestions received by them during the last few years of the military-economic preparation period, have to a large extent switched production of important products to plants in Central Germany; for instance, among others, to the Schkopau plant which was built in the transition period. Certain products are being prepared in the new buna plant Huels as substitute products for Ludwigshafen and Oppau. A certain portion of materials, however, which require many

* This enclosure was not a part of the document as introduced in evidence.

kinds of particularly complicated preliminary products of organic chemistry, have been transferred to the Leverkusen plant.

This attitude—according to which production in the Hoechst and Leverkusen plants and the other plants located near the Rhine is considered more secure than at the Ludwigshafen and Oppau plants, which are particularly exposed—gives rise to the question as to what extent all the plants of the big chemical industry located in the west of the Reich should be included in the investigation demanded by you. This point of view, so plainly expressed for the first time by the Wehrmacht in your letter of the 15th instant, has extraordinary consequences, and its importance cannot be judged at the present moment. I should like to point out that, if no serious setbacks take place in regard to military-economic production within the field of chemistry, the protection of these plants, especially against air raids, must be insured by all means. One must assume that the same conditions also apply to iron and steel production as well as to mechanical manufacture, as German industries of this kind, in the same way as the chemical industry, are also concentrated in the Ruhr and on the Rhine.

[Handwritten marginal note: Probably misunderstood?]

Again I should like to have your comment and shall, if necessary, carry out an investigation for these plants too, with a view to formulating a plan for the transfer of part of the plants to Central Germany or Silesia. But it should be pointed out here and now that transfer on a large scale will require an extraordinary large amount of steel and labor, and so far no material has been made available from any quarter. In view of the present situation in regard to iron supplies, work on such a large scale could not be started before the middle of 1940.

Heil Hitler!

Yours very sincerely

[Signed] Dr. C. Krauch

TRANSLATION OF DOCUMENT NI–7129
PROSECUTION EXHIBIT 748

LETTER FROM THE REICH MINISTRY OF ECONOMICS TO THE THE HIGH COMMAND OF THE ARMED FORCES, 18 JULY 1940, CONCERNING THE TRANSFER OF STORAGE OF MILITARILY IMPORTANT PRODUCTS FROM LUDWIGSHAFEN AND OPPAU AND POSSIBLE CHANGE IN THE PROGRAM BECAUSE OF THE MILITARY SITUATION

The Reich Minister of Economics
II Chem. *24724/40*

Berlin W 8, 18 July 1940
Behrenstrasse 43

[Stamp] Wi Rue Amt Ro 1, 19 July 1940

To: The High Command of the Wehrmacht

Attention: Colonel Becht or his representative in office
Berlin W 35, Tirpitzufer 72/76

Subject: Removal of militarily important products from Ludwigshafen/Oppau to a different place of storage.

During the conference of 15 March at the WIFO, a program for the removal of militarily important products from Ludwigshafen/Oppau to a different place of storage was laid down. The WIFO has submitted to me the draft copy of a contract with Farben concerning the execution of this program. Due to the changed military situation in the West, it is necessary to examine how far the program as laid down at present is to be carried out. I invite you to a conference concerning this subject on *Thursday, 25 July 1940, 10:00 hrs.* Behrenstr. 43, Room 1, 5th floor

By order:

Signed: DR. LENZ
Certified
[Signed] KOCH
Chancery official

[Stamp] Reich Ministry of Economics

In connection with the storing of products from the Ludwigshafen and Oppau plants, the following products were suggested by IG on 21 June 1939:

Urea	3,000 tons	At present, immediately available	
Kaurit glue powder	600–800 tons	Available monthly	100 tons

Plastopal	40–60 tons	Available monthly Immediately available	20 tons 10 tons
Iron powder		Only from 1 November 1939 on	
Ethyl chloride	250 tons	Immediately available Available monthly	60 tons 80 tons
Aluminum chloride	500 tons	Immediately available Available monthly	250 tons 120 tons
Vanadium contact	200 cubic meters	Immediately available Available monthly	60 cubic meters 60 cubic meters
Arsenic acid	150 tons	Available monthly	65 tons
Sodium sulfite	400 tons (?)	Available monthly	300 tons
Benzoic acid sublimated	50 tons	Immediately available Available monthly	40 tons 10 tons
Dimethylaniline [xylidine]	150 tons (?)	Immediately available Available monthly	120 tons 40 tons
Dinitrophenylamine	200 tons (?)	Immediately available Available monthly	150 tons 25 tons
Palatinol C [dibutyl phthalate]	100 tons	Immediately available Available monthly	30 tons 25 tons

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Ro III e

Berlin, 24 April 1939

To: *III a*

Subject: Chemische Werke Lothringen

In the Gerthe and Herne depots of the Chemische Werke Lothringen the following products were stored on 15 September 1938:

1.	Urea (technical)	1,200 tons
2.	Sodium nitrite	305 tons
3.	Urea for feeding purposes	600 tons
4.	Brown-oxide (catalyst for water gas)	350 tons
5.	Aluminum chloride	200 tons
6.	Ferric carbonyle	200 tons
7.	Nickel Matte	3,000 tons
8.	Kaurit glue powder	200 tons

[Handwritten note:] Az 24 April

3. TESTIMONY OF DEFENSE WITNESS HUENERMANN

EXTRACTS FROM THE TESTIMONY OF DEFENSE WITNESS HUENERMANN[1]

DIRECT EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): Witness, would you be kind enough to describe to the Tribunal your career and your activity up until the war and during the war, so that the Tribunal may get some sort of idea about your expert knowledge.

WITNESS HUENERMANN: I was a professional soldier—an officer.[2] From 1936 until 1943 I was in the Military Economics Office in the OKW, with the exception of the period from June 1940 until April 1941. From 1938 until 1943 I was Chief of Staff of this office.

Q. Witness, what were the tasks of the Military Economics Staff?

A. This was an agency of the High Command of the Wehrmacht and was directly under the Chief of the High Command, Keitel. Its main duty was to prepare the German armament industry for the event of war. In connection with this, the Wehrwirtschaftsstab had to inform the military agencies about our own economic war potential in comparison to that of other world powers.

Q. Now, Witness, how did you judge the potential of German war economy in 1936, when you took over your job?

A. In 1936, the strength of the German Wehrmacht was so slight and the extent of German armament industry was so insignificant that war could not even be considered. It would have been an event that would have lasted only a few weeks.

Q. Can you substantiate your views briefly?

A. Because of the Versailles Treaty, Germany had been disarmed to a large extent. There was only one firm—that was a monopoly firm—for each type of arms and ammunition. The further development of modern weapons, planes, bombers, was far behind. The number of ships which the Navy had was at a minimum.

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[1] Complete testimony of Huenermann as a defense witness is recorded in the mimeographed transcript, 4 and 5 May 1948, pp. 13408–13410; and 13495–13524. Huenermann also testified as a prosecution witness. His complete testimony as a prosecution witness is recorded in the mimeographed transcript 31 October 1947, pp. 3147–3152.

[2] Huenermann, formerly a General of the High Command of the Wehrmacht, was Chief of Staff to General Thomas, Chief of the Military Economics and Armaments Office of the High Command of the Wehrmacht.

Q. How were you informed about the extent and the aims of German rearmament?

A. Our superior, the Chief of the High Command of the Wehrmacht, Keitel, did not inform us at all.

PRESIDING JUDGE SHAKE: Mr. Witness, may I take the liberty of reminding you that we do not understand what you say and we must necessarily wait for a translation. If you will please pause after Dr. Boettcher asks you a question until we get the translation of his question, before you start to speak, it will avoid us hearing both languages simultaneously.

DR. BOETTCHER: Witness, you just said that the OKW, Chief of which was Keitel, did not inform you about the intentions and aims of Hitler with respect to armament. My question is this: What agencies did inform you about the intentions and armament aims of Hitler?

A. We did not learn of all the plans of the Army, Navy, or Luftwaffe, in respect to armament. The high commands of the various branches of the Wehrmacht reported their requirements. One must distinguish here—for peacetime requirements the branches of the Wehrmacht—that is Army, Navy, and Air Force —reported only their raw material requirements, while the requirements for war were reported in finished products.

Q. Could you explain this statement by giving us an example?

A. In peacetime, the branches of the Wehrmacht armed independently. They reported to the OKW only their requirements in raw materials—that is, how many tons of steel they needed per month or aluminum and similar raw materials, while for their war needs the high commands reported their monthly requirements—for example, the Army would say 1,200 machine guns, 20,000 rifles, 300 tanks; or the Air Force, 150 fighters a month.

Q. From these statements, could you conclude Hitler's aims for war or peace?

A. No, for we were given a report of the requirements of weapons, for example, 1,200 machine guns. But for how many divisions they were destined, we could not tell from these figures. We did not know what the loss factor was for the particular plane or tank.

* * * * * * *

Q. I now come to another point. Can you describe German armament to the Tribunal? I mean by that the nature, the extent, depth, and so forth.

A. German armament was designed for a Blitzkrieg. It was, so to speak, superficial armament. That is, a division set up in peace and a division to be set up during war were equipped with

excellent arms and very modern equipment. But there was no depth of armament. That is, behind this impressive facade, there was no sufficient reserve of matériel. In certain types of guns we had hardly any reserve at all when we went into the field. And also there was no sufficient production background on a broad enough basis in order to secure adequate ammunition during war for the troops in the field. And there was also not enough preparation of German economy for a big war; that is, a guarantee of the raw material basis.

Q. Witness, your last remark brings up the question: What about the so-called "Mob" plans, which in the last analysis were directed toward economic preparation for war?

A. There is no contradiction here. Every year we drew up a "Mob" plan. We calculated exactly the requirements for the event of war for the supplies of ammunition, arms, planes, bombers, and so forth. But these figures concerning requirements were to a large extent not adapted to German industry when the war broke out.

Q. Witness can you tell us in just a few words who was responsible for these "Mob" plans—industry or the military authorities?

A. The "Mob" plans originated only with the Army, the Air Force, or the Navy. Industry itself had no influence whatever on them. Industry was not consulted and did not make any suggestions.

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CROSS-EXAMINATION

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MR. SPRECHER: Now in order to save time, I want to immediately show you a rather lengthy document which was taken from the files of the Feldwirtschaftsamt,* but it refers to the period 1938 and 1939. Do you recall weekly reports which were made under your direction as Chief of Staff in the Wehrwirtschaftsstab at that time, in 1938–1939?

WITNESS HUENERMANN: I did not understand your question.

Q. Do you recall the weekly reports which were made in your office?

A. Yes.

Q. You remember those?

A. Yes.

Q. Now I show you Document NI–7452, which will become

* The Feldwirtschaftsamt took over the functions of the Military Economics Staff after the latter had ceased to exist in 1944.

Prosecution Exhibit 2221.* Do you recognize this as extracts from these weekly reports of your office?

A. We did make such reports, yes.

Q. Now my assistant will come down beside you in order to help point out certain pages. I think we have already placed a few markers in there, in that photostatic copy, in order to help you find these spots.

Now will you turn over to page 133 of the original, that is at page 2 of the English there, under the entry for 22 June 1939; there is an entry which states that a certain conference took place about IG plants at Ludwigshafen and Oppau, and it says:

> "In view of the importance of most of the materials for defense, the IG will soon make proposals concerning possibilities of storage, creation of new plants, and stockpiling, with estimates of costs and naming of suitable locations in the safe area."

Do you know who from your staff dealt with IG concerning that matter, by looking at that entry?

A. Yes.

Q. Who did that?

A. I assume that Oberregierungsrat Dr. Mureck attended this discussion. I don't know, I assume so. Dr. Mureck was our chief chemist, and usually conducted these discussions.

Q. Did you personally visit Ludwigshafen or Oppau before the war broke out?

A. No; but I believe I can say something about this subject that you have mentioned.

Q. Well, I don't have any doubt about that, but will you please wait for a question. Now will you turn over to page 146 of the original. There is an entry for the 28th of April 1939, and under No. 2, Your Honors (that is at the bottom of page 3 of the English translation), there is a reference to stored materials which states: "The greater cost arising because of the storage and replenishment of the stocks will be borne by the Reich." That is referring to certain stocks which had been stockpiled before the so-called Czechoslovakia crisis. What office of the Reich agreed to pay those additional costs of storage which I.G. Farben entailed at the time? Was that your office?

A. No.

Q. What office was it; do you know?

A. I can only assume that the Reich Ministry of Economics took over these costs, through the WIPO.

Q. Now will you please turn over to page 147 of the original—

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* Reproduced in part 2 above.

that is about the middle of page 4 of the English translation. That is an entry under date of 19 April 1939. I particularly call your attention to the phrase "Mobilization Schedule," and ask you if you had anything to do with the mobilization schedules for the Ludwigshafen plant in April 1939?

[At this point a discussion with the Tribunal ensued because the defense counsel did not have a copy of a document containing all the entries shown to the witness. A copy containing the extracts in question was supplied defense counsel before redirect examination.]

MR. SPRECHER: I pointed to the words, "Mobilization Schedules" of Ludwigshafen, and I asked you, Witness, if you had anything to do with working upon mobilization schedules for Farben in April 1939?

A. It says here, "Conference at the Control Office Chemistry." This shows that the mobilization schedules did not go through the OKW, and not through the Wehrmacht, but through a civilian agency under the Ministry of Economics, and this was the Control Office Chemistry.

Q. General, I want to come to your distinction between armament and nonarmament, and between civilian and war, in just a moment. But my point is, someone from your office was present at this meeting. Was that you, or was that somebody else?

A. No. We had twenty-five such groups. It was impossible for me to have attended such conferences. I was at the head of the office.

Q. Now, were you informed about the transfer of parts of plants from one place to another within Germany because of military economic problems?

A. Yes.

Q. Were those matters taken up with you personally, or could your subordinates handle the transfer or a recommendation for having a factory transfer a plant out of the red area? Could they make the decision without you?

A. Yes. May I explain this?

Q. Well I'd just like to know whether or not your subordinate—

PRESIDING JUDGE SHAKE: Now, Mr. Prosecutor, he is not required to answer arbitrarily "Yes" or "No." There is a qualification on it, and you will have to determine whether you want to have the question answered his way or abandoned.

MR. SPRECHER: Go ahead, Mr. Witness.

A. In 1939, there still existed for Western Germany the so-called regulations for economic evacuation. That means that the German West Wall in 1939 was not considered strong enough to hold out against a French attack. For the event of a French invasion of the Saar and the area of Ludwigshafen, we had con-

sidered already in peacetime what steps were to be taken, and those steps had already been partly carried out so that, in an emergency, important material, supplies, and so forth, could be removed from this evacuation area to the center of Germany. In the course of these preparations, the High Command of the Wehrmacht, the Military Economics Staff, issued general instructions as to what area and for what factories such preparations were to be made. In August 1939, or at the beginning of September 1939, after the French declaration of war, this evacuation was put into operation. We evacuated the Saar economically and withdrew our personnel.

Q. This is going a little too far. Perhaps if we turn to another entry on 15 September 1938, at the bottom of the page, we can make a little more progress.

PRESIDING JUDGE SHAKE: Just a moment. In order to save any further interruption before you ask your question, does counsel for the defense have that entry now before him? Very well, ask your question.

DR. HOFFMANN (counsel for Ambros, ter Meer, and Duerrfeld): Mr. President, we were supposed to leave at 10 o'clock to attend the Commission, but may we stay and listen to this cross-examination, if the Tribunal will excuse me?

PRESIDING JUDGE SHAKE: The Commissioner's hearing will just have to be delayed. We can understand that they want to be here and are entitled to be here.*

MR. SPRECHER: The entry for 15 September. It notes there that the transfer of an ethyl chloride plant was made from Ludwigshafen to Schkopau, and that that was ordered by the Military Economics Staff. Is that your office?

WITNESS HUENERMANN: Yes. But this was a military measure which was necessary so that, in the event of war, such a vital plant as an ethyl chloride plant might have its production guaranteed.

Q. Now, Witness, why did you decide on 15 September 1938—15 days before the Munich Pact—that that particular plant should be moved to Central Germany?

A. This factory was no exception. There were general evacuation preparations which had been ordered for the West, and not just for the Ludwigshafen plant. The preparations were made on a broad basis, and it is perhaps just an accident that we have not any material about other firms; otherwise I could prove that this order was a general one, and not specifically for this factory.

Q. Well, when did that order come out, in September? Or was it later than 15 September 1938?

* See volume XV, this series, section XVII, "Taking of Evidence on Commission."

A. I worked on this preliminary work—the so-called evacuation orders which were given out by the General Staff of the Army. I can't tell you the exact date when these orders were issued. The evacuation orders were part of the so-called Mobilization Plan "Army." It was quite independent of political developments. When it says here "15 September," that is just a chance coincidence with a political tension. We had begun preparations for evacuation much earlier. The plans were checked annually and new plants were included in the list.

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REDIRECT EXAMINATION

DR. HEINTZELER (associate counsel for defendant Wurster): Witness, during cross-examination by the prosecution you were shown an extensive document. That document was called by the prosecution an excerpt from the weekly reports of the Feldwirtschaftsamt for the time, June 1938 to May 1940. Was there a Feldwirtschaftsamt already at that time?

WITNESS HUENERMANN: No. I emphasized that the Feldwirtschaftsamt emanated from the Wehrwirtschaftsstab. In 1944, the Wehrwirtschaftsstab was renamed after Minister Speer took over all armaments questions from the OKW.

Q. When looking through those documents, Witness, did you notice that practically all of the entries and reports in that document are called drafts, and that they don't bear any signature? May I hand you the document once more? May I ask you please, Witness, to answer my question?

A. This is not a final weekly report to which one can attach importance, but these are drafts by experts from the Raw Materials Department 3 of the Raw Materials Division, and this draft of Department 3 was first sent to the department chief who issued it. Frequently, we made changes in these drafts and this was done because the experts in question who were working only on the limited deal of their own knowledge could not see the large-scale connections and thus perhaps created the wrong picture. And something else I want to emphasize; he might incorrectly represent the competencies and jurisdictions of his field of work, and thus he also sometimes used wrong expressions.

Q. In these drafts, conferences are mentioned frequently which were held with other agencies or with firms. Can you see from those drafts who participated on behalf of the Army, the Wehrmacht, and the Wehrwirtschaft [military-economic] agencies in these conferences? I may remark that in the explanation to this document the prosecution has pointed out that those documents allegedly show that leading officials dealing with military-eco-

nomic matters paid visits to Ludwigshafen and Oppau, for instance.

MR. SPRECHER: Now, just a minute. Mr. President, I think that that is a very unfortunate question. This is a document which we were going to have in our rebuttal book for obvious reasons, but it also came in very handy here during cross-examination. Now, it hasn't even been presented, and as a favor we have given counsel the index to have that before this document—as well as its sister documents in this document book—is presented, and as a preliminary part of his question some of our index to our document is read. It seems to me it is not only highly suggestive, but also highly argumentative. He can call for the facts.

PRESIDING JUDGE SHAKE: That objection is well taken and is sustained.

DR. HEINTZELER: Then I would like to rephrase my question. From the reports submitted to you, can you see in detail who participated in what conferences?

WITNESS HUENERMANN: If the department chief participated in any conference, it would have to be recognizable from the report or from the diary. In general, it was customary if the department chief participated in a conference that that was so noted in the report.

Q. Then you are of the opinion that if such a note is not in the report—

A. Then only the expert was in charge of the conference.

Q. Did I understand you correctly in cross-examination that your answer was that, apart from only a few exceptions, the mobilization questions for the Farben plants were not worked on by your agency, but by the Reich Ministry of Economics or the Control Office Chemistry?

A. The mobilization of the chemical industry was handled by the Reich Control Office Chemistry or by the so-called Fuehrungsstaeben Wirtschaft [Directing Staffs for Economy and Business], which were transformed when the war broke out into the Landeswirtschaftsaemter, Regional Economic Offices.

Q. Would you then, nevertheless, consider the reports submitted to you as a complete source for the development of the mobilization question at the many Farben plants?

A. I cannot answer that question.

Q. Then I want to ask you particularly with reference to the Farben Ludwigshafen-Oppau plant. Do you know whether the plant leader of that plant, Dr. Wurster, at any time participated in a conference about mobilization and similar questions in your agency?

A. No.

Q. Did you know Dr. Wurster personally?

A. No.

Q. Do you know that the Farben plants in Ludwigshafen-Oppau in 1939, when the war broke out, had no obligatory mobilization production plans?

A. No.

Q. How am I to understand your answer?

A. I do not know whether they had a mobilization plan nor how far their work had progressed.

Q. Then I have a final question. The prosecutor pointed out various passages from these reports; in particular, those which dealt with questions of shifting and transferring plants and stocks from endangered territories. I want to ask you for something you should know from your expert knowledge. Could the plant leader of a plant in this danger zone conclude, from these measures or considerations of the authorities, that Hitler intended to wage a war of aggression? I emphasize the words "war of aggression."

A. No.

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4. TESTIMONY OF DEFENDANTS KRAUCH, TER MEER, BUERGIN, KUEHNE, AND WURSTER

a. Testimony of Defendant Krauch

EXTRACTS FROM THE TESTIMONY OF DEFENDANT KRAUCH[1]

DIRECT EXAMINATION

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DR. BOETTCHER (counsel for defendant Krauch): I shall repeat my question, Dr. Krauch. The prosecution has offered this letter of 5 September 1935, Document NI–4702, Prosecution Exhibit 101,[2] document book 5, English page 80, German page 82, as especially incriminating regarding knowledge and promotion of a war of aggression. What do you have to say about this document?

DEFENDANT KRAUCH: I see in this document a circular letter sent to all the plants under Sparte I. Special emphasis is given to the importance of defense economy and defense-political questions. The date is September 1935. This was in connection with

[1] Further extracts are reproduced above in subsections C 5*a*, F 3, G 7*a*, below in subsections I 7*a*, L 3*a*, N 5*b*, and in section IX F 1, volume VIII, this series.

[2] Reproduced in 2 above.

Germany's rearmament, which I do not attempt to deny in any way. Surely it was well known, and the government made it known to other countries in speeches and negotiations. But rearmament does not imply the intention of a war of aggression. I believe in other countries similar efforts were under way at the same time, so that was no doubt a worldwide phenomenon.

Q. Do you know that other German concerns had similar arrangements in Berlin?

A. Yes, I know that.

Q. Can you give an example?

A. The Vereinigte Stahlwerke [United Steel Works] for example, kept up a similar office in Berlin.

Q. Now, what was the practical work of the Vermittlungsstelle, please, very briefly, since in the prosecution's case we have already dealt with this question?

A. I touched upon that question briefly a while ago. Inquiries of government offices were sent to the Vermittlungsstelle which otherwise were sent directly to the plants. The Vermittlungsstelle knew best the men in charge of the field, and sent the inquiries to these men. Previously it had been customary that the technical experts were called to Berlin by the government agencies. Then often it was not the right man, as the government agencies, of course, did not know the various men concerned. Now this whole contact was much more certain and much simpler. Unnecessary trips were avoided and the questions were answered more correctly and more exactly.

Q. Did the Vermittlungsstelle, within the framework of the organization of IG, have any independent activity? Did it have any power to conclude business agreements, and so forth?

A. No, certainly not. The Vermittlungsstelle was an office subordinate to the Sparte office, which had nothing to do, except to receive and pass on letters, as a witness has testified here. It could not make any independent decisions.

Q. The prosecution has called you the head of the Vermittlungsstelle. Will you please comment on that?

A. I believe there were a number of offices—perhaps several hundred—under this Sparte. The Vermittlungsstelle was one of these. The Vermittlungsstelle was not directly under me, but, as I said before, it was under the Sparte office.

Q. Then the statement of your colleague, Dr. von Schnitzler, calling you the head of the Vermittlungsstelle, is not correct?

A. Yes, it is not correct. No doubt von Schnitzler, as pure businessman, was not as well informed of matters within the Sparte as he might have been as a technical expert.

Q. In this connection, a charge is brought against you and

other defendants that the Vermittlungsstelle carried on espionage activities. I should like to know what you have to say about this.

A. Of course that is in no way true.

Q. Will you please repeat your answer?

A. That is not true. The Vermittlungsstelle never had anything to do with espionage.

Q. Please describe how the Vermittlungsstelle was involved in observing certain precautions of secrecy, and answer the question whether the preservation of these secrecy regulations involved espionage?

A. The legislation at the time for high treason had been greatly increased in severity so that there was a great uncertainty in industry about experience, and so forth, which had to be given to foreign countries on the basis of existing contracts. As a result of these severe laws, there was a constant effort made by all concerned before any such step was taken, to obtain security from some government offices, as protection. For this purpose, patents which were to be made public and similar measures were submitted to the government offices concerned beforehand, to get some sort of a statement from them that they were harmless. The Vermittlungsstelle was also used for such purposes, simply to send on the inquiry to these offices and to return their answer.

Q. Will you just say a few words as to whether, in your knowledge, the Vermittlungsstelle carried on any active espionage activities?

A. I believe that I have already answered that. No, in no way. It had nothing to do with espionage.

Q. Thank you. Another point. The prosecution charges that I.G. Farben—and that includes you—on its own initiative prepared mobilization plans, air-raid precautions, and air-defense measures. The prosecution emphasizes that, "on its own initiative,"—that is IG's initiative. What do you say about that?

A. That is not at all true. Industry had no interest in getting up such plans, which merely meant a great deal of work. Industry was interested in postponing such plans as much as possible. Very soon, however, it was brought to the attention of industry that this was to the interest of defense economy, and it was emphasized that certain measures were undertaken in the United States—the so-called economic mobilization of the United States.

I myself once had an opportunity to talk to Major Hesse, the War Scientist of the German Army, about this matter. He sent me some publications which had, in part, appeared in German newspapers. I remember one article in an economics paper, called, "Der Deutsche Volkswirt" [The German Economist] in which this American work was discussed.

I talked to Major Hesse about it, examined some plans and works of that kind and, to my great astonishment, I found in these publications a confirmation of what he had told me; that is, that long before that time, exactly the same things had been done in the United States—air-raid precautions, air corps mobilization, and transfer of factories, stockpiling of material—exactly the same demands which were made of us by military economy.

Q. Very well. Now will you please comment on whether these German regulations about mobilization plans, and so forth, were designed specifically for I.G. Farben or whether they affected all of Germany's industry?

A. Of course, they affected all of Germany's industry.

Q. Did the instructions come through the Reich Group Industry, and other big economical operations?

A. Yes, Reich Group Industry was included.

Q. In this connection I should like to call your attention to Document NI–8197, which was submitted by the prosecution as Exhibit 493,* document book 22, English page 93, German page 117; if you will look at this document, please tell us to what extent this prosecution document confirms what you have just told us?

A. Dr. Boettcher, may I ask you which page you mean? This is a very big document.

Q. Page 131.

A. That page is not in my document book. It begins with page 147.

Q. Just a moment; will you look at my copy?

A. Yes; the pages are different here. I shall quote: "of special significance in war was the field of air-raid precautions, the basic idea of which was for industrial plants to protect themselves against air raids. As early as 1929 this was taken up by the head organizations of industry, and in the following period it was developed further."

Q. That is sufficient. Now will you please tell us very briefly where this quotation comes from? Look at the first page.

A. Reichsgruppe Industrie. Its chief business manager sent a memo to industry.

Q. This is a memorandum then.

A. Yes.

* * * * * * *

* An extract from "The Reich Group Industry—Location and Task of the Industrial Organization," by Dr. Karl Guth. Not reproduced herein.

b. Testimony of Defendant ter Meer

EXTRACTS FROM THE TESTIMONY OF DEFENDANT TER MEER*

DIRECT EXAMINATION

* * * * * * *

DR. BORNEMANN (associate counsel for defendant ter Meer): Dr. ter Meer, as you know, the prosecution charges Farben to have been leading among the people who drafted these mobilization plans. In this field especially, Farben is supposed to have taken the initiative and thus prepared a war of aggression. Does this allegation of the prosecution correspond to the truth, and why did Farben concern itself with this very extensive field of work?

A. The prosecution's charge is that Farben allegedly prepared such mobilization plans for the first time on 1 July 1937. This is correct as such, but it was not done on the initiative of Farben, but rather upon the initiative of the authorities. There was a history to this story that has extended over several years. The prosecution overlooked the fact that, already in 1934, so-called production investigations were made. These were investigations about the production of the entire German economy for the year 1933, and they were undertaken by the Statistical Reich Office, an authority which was part of the Reich Ministry of Economics.

Q. May I ask you, was the Statistical Reich Office newly created or was it an old institution?

A. It is an old institution. These investigations were undertaken at the time—they were even compulsory at the time—because reference was made to a certain regulation. I know that we turned against permitting these investigations of production at the time, because it was something unheard-of in Germany for a private industrialist to give to a government authority a list about his products in detail; and that beyond that, he should give an exact description of the raw materials and ingredients used; that he should also include his personal data, statements about current that was used—electrical current—and also about the sale of products at home, abroad, and so on. All that material had to be included, and we had never experienced such a request up to that time. We turned, at the time very emphatically, against complying with this information regulation. I sent Dr. Struss, at the time, to Berlin to the Statistical Reich Office, and he talked to the chairman of his office, a Mr. Leisel, but Leisel told him that there was a regulation of 12 July 1923 about the obligation

* Further extracts are reproduced above in subsections C 5*b*, E 3, G 3, below in subsections I 7*c*, J 4, K 3*a*, L 3*d*, M 3, O 7*a*, and in section VIII, subsections C 6, D 3, D 6, E 4, and section IX subsection F 2, volume VIII this series.

to turn over information, and that it provided for fines (monetary), as well as deprivation of liberty, if anybody refused to give this information. I submitted this question to Professor Bosch at the time, who listened to it and who said, "Well, I don't want you to go to prison. You have to give the information. There is nothing you can do." Nevertheless, I charged Dr. Struss —and also asked Dr. Hoerlein—to try to get this obligation (of turning over information) mitigated in Berlin; and we never turned over certain special secrets like the contact agents in our modern catalyst process.

Q. Were these contact agents of your catalysts anything that dealt with military things?

A. No, they had nothing to do with military things. These are our own production questions. These contact agents are materials that activate and speed up and accelerate chemical reaction, but they have nothing to do with military matters. The production investigations of the Statistical Reich Office concerned the entire industry. On 9 October, Dr. Struss was interrogated about this and he made the statements about this point.* The Statistical Reich Office carried out these production investigations over a period of several years until, finally, it was at least given a different designation, because Department 7, dealing with industrial production statistics from a certain moment on, was called the Reich Office for Military Economic Planning. That, of course, expressed the purpose of these production investigations quite clearly. It can be seen unequivocally from this that Farben did not take any initiative in this field.

Q. What are these mobilization plans really?

A. I explained the thing as follows: During the First World War, we had no preparations made in the field of military economic supplies. At that time we had a very strong Army, as is well known. We had a strong fleet. We had cannon and guns and machine guns, but the industry which was to furnish supplies for all sorts of material was not worried about it at all. No provisions were made for supply of raw materials; and since, in 1914, when the war broke out, the railways were exclusively reserved for military purposes, a large number of plants were paralyzed in their operations—because of lack of coal and raw materials—in a comparatively short time. There were no officers or other employees who were deferred by the Army authorities, since we had general conscription in Germany; and on the first mobilization days, since we had no more important task, most of our employees were drafted on that very day. An organization

* Dr. Struss testified on this point as a prosecution witness on 9 October 1947. See mimeographed transcript, pp. 1849–1927.

for the direction of industrial production during wartime was created several weeks after the war had broken out, by Walter Rathenau in Berlin. I remember only too well from those days, since I already mentioned I remained in the plant at Uerdingen. One day I was left behind with one chemical engineer and colleague, in a factory in which several acids, nitro products, aniline, and so forth were produced, and the two of us could do nothing but close down several plants because the foremen and other craftsmen were recklessly pulled out for wartime service. This negligence during the First World War probably was in the minds of our military men when, after 1933, they thought of correcting these mistakes that had been made during the First World War—and all the more because during a new war, if such would ever break out, material requirements would even be higher than during the First World War, since the motorization of the Army, and mechanization, and the introduction of the Air Force had increased extraordinarily more than it was in 1918. The initiative for the so-called mobilization planning comprising all these fields of work—deferment of employees, furnishing of raw materials, the definition of production capacity of the plants—the initiative was taken by the Reich Plenipotentiary for Chemistry [Reichsbeauftragter fuer Chemie], Dr. Ungewitter, who was at the same time the manager of the Economic Group Chemical Industry.

Q. Did Dr. Ungewitter receive this mission from any other authority, or how did he come to initiate this measure?

A. Dr. Ungewitter certainly must have received directions from the authorities.

Q. You spoke about production investigations repeatedly; mobilization plans; you talked about "Belegungsplaene." It might perhaps be interesting if you explained the difference to us between these various concepts.

A. Today, after I have studied the extensive material presented by the prosecution, and after I studied it and informed myself additionally by the plants in this entire field, I believe that I am able to make a few comments about this. In our language, production investigations were the statistical findings about production in the past that were made by the Statistical Reich Office. "Belegungsplaene" means the production plans ordered by Dr. Ungewitter on the basis of the normal capacities of our works. The Belegungsplaene are, so to speak, the forerunner of the so-called mobilization tasks, which the plant was then assigned in the course of these preparatory measures, as an order arising and issued by the government. The entire development

of this mobilization planning can be very exactly studied from a number of documents presented by the prosecution in book 8.

* * * * * * *

Q. Dr. ter Meer, before the recess, we were discussing the mobilization plans. When you concluded, you were explaining to us the concepts of production investigations, mobilization plans or production plans, and mobilization tasks. Now, would you be good enough to tell to what extent you, yourself, were concerned with the questions concerning mobilization plans and production plans (Belegungsplaene)?

A. I was interrupted by the recess and I did not quite finish my previous sentences, so I should like to answer your previous question.

Q. Go ahead.

A. I should like to give you a short indication of the documents in document book 8, submitted by the prosecution, and thereby illustrate the character of the so-called mobilization plans.

All the exhibits which follow are excerpts from prosecution document book 8. I shall first deal with Document NI–8609, Prosecution Exhibit 193.[1] This is a report on a conference dating back to 1937, in Vermittlungsstelle W, where Dr. Neumann gives instructions to other gentlemen. Dr. Neumann was concerned with these mobilization plans.

It is stated here, and I quote: "Products like heavy chemicals are the only ones to be produced individually. Products of a smaller nature are to be dealt with collectively." It is further quoted, "that each IG plant designate a so-called confidential agent [Vertrauensmann] and a representative of this agent for the appropriate task."[2] We were asked by the Reich Ministry of Economics to suggest these gentlemen for that position. The Reich Ministry of Economics was to obligate these gentlemen to maintain secrecy.

I am now passing to Document NI–8608, Prosecution Exhibit 195,[3] to be found in the same book. Here the difference is pointed out between the so-called armament plants which are cared for by military authorities, and the so-called vital and essential industries which are cared for by the Reich Ministry of Economics. We know that the I.G. Farbenindustrie belonged to the latter-mentioned category, as it has been confirmed by several witnesses here. The plants established direct contact, through their confidential agents, with the regional agencies of the Reich Ministry

[1] Not reproduced herein.

[2] This last quotation is actually from Document NI–8608 Prosecution Exhibit 195, and not from Prosecution Exhibit 193, as the text would indicate. Prosecution Exhibit 195 is reproduced in full in 2 above.

[3] Reproduced in full in 2 above.

of Economics which were established in the offices of the provincial presidents [Oberpraesidenten].

The affiant whom you previously mentioned—I think his name was Kropf [from Kassel]—was a head of such a branch of the Ministry of Economics.

Under Document NI–4632, Prosecution Exhibit 197,[1] we have a circular letter to the plants of the IG. Here it is stated that "the entire mobilization task can be divided into two main parts: (A) the supplying of the works with the materials necessary for fulfilling the mobilization task (including supplying with transportation to and from). (B) Guaranteeing the personnel necessary for carrying out the mobilization task."

With reference to the proposals for the production plans, it is stated that the "current normal production is to be included in that proposal."

In Document NI–8601, Prosecution Exhibit 218, the so-called war supply contracts are mentioned. Furthermore, the so-called production plans and mobilization tasks are mentioned. The "Belegungsplaene" are the so-called production investigations from which we arrived at the mobilization task.

In Document NI–7287, Prosecution Exhibit 220,[2] we have a letter to Farben's Hoechst plant, and it is stated there that the mobilization task, "the minute it arrives at your plant, assumes the character of an official order, and measures which are necessary for the production plan entailed in the mobilization task are to be taken by order of the OKW and by order of the Reich Plenipotentiary for Chemistry. Such measures are to be taken immediately and to be concluded as quickly as possible."

I mention that expressly in order to show that these so-called mobilization plans certainly did not have the character of a specific production plan for the case of war because only the normal production—and indeed, only the big products—were included in the list, and in case of war, production would merely maintain its previous level. I think that the prosecution only sees a specific preparation for war in mobilization plans because they thought that the mobilization plan in case of war constituted a deviating production (from peacetime production), specifically designed for war. As these documents from that time show very clearly, that was not generally the case, although there certainly were exceptions, to which I shall refer later when discussing the dyestuffs plan.

Q. In that case, let me repeat my previous question to you.

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[1] Ibid.

[2] Not reproduced herein.

To what extent were you, Dr. ter Meer, concerned with this work which you now describe in detail?

A. With respect to mobilization tasks, production plans, and mobilization plans, I was practically not concerned, and I was really not informed about such work in detail. In the TEA office only the first part of such work—the production investigations through the Statistical Reich Office—was worked on, and since the TEA office actually comprised my own secretariat, I was very well-informed about that phase of work. On the other hand, the so-called production plans and mobilization plans were later handled by the Vermittlungsstelle W, in direct contact with the so-called confidential people [Vertrauensleute] of the plants. Since I was not a plant leader myself, such details did not concern me. The confidential people or the liaison people in the plants, as I mentioned before, were obligated to maintain secrecy and could not discuss such matters with me.

Q. At that time you were not obligated to maintain any secrecy?

A. I don't think that held true at the time.

* * * * * * *

DR. BORNEMANN: Dr. ter Meer, a few more brief questions with regard to the Mob plans for dyestuffs. Your name has been mentioned occasionally in connection with the plans for dyestuffs. Did you at any time have anything to do with the Mob plans for dyestuffs?

A. Yes. In the meantime, I have already clarified the connection with the Mob plans for dyestuffs, and I am now in a position to make some statements about it.

Q. According to Document NI–8777, Prosecution Exhibit 198*, document book No. 8, English page 25, German page 20, you have once stated, during a meeting of the Dyestuffs Committee dated 23 November 1937, ideas as to matters which concern the Mob plan for dyestuffs. Can you remember that?

A. No, I cannot remember what statements I made during that particular meeting. I do assume, however, that more or less, we were concerned with suggestions made on my part as to how to proceed in one or another point with respect to this Mob plan for dyestuffs. The so-called Mob plan for dyestuffs had the following significance: It was to be anticipated that in case of war Farben would lose a great part of its export business, and that in addition the indigenous need of dyestuffs would decrease, because imported wool, and so forth, would no longer arrive in Germany.

Dr. Struss, at the time, discussed this matter with Dr. Unge-

* Reproduced in full in 2 above.

witter, the Plenipotentiary for Chemistry, and came to an agreement with him to set up a Mob plan for dyestuffs in order that one may count upon a 50 percent part of the former peacetime production, since the export and part of the indigenous consumption would fall off. This matter was naturally far too complicated for the authorities. I have already described as of yesterday that we produced over 2,000 dyestuffs—different kinds of dyestuffs—per year, and I therefore suggested to Dr. Struss to do this work in the TEA office. I assigned one of his associates, Mr. Eichwede, to deal with it.

On the occasion of this dyestuffs matter, the thought was considered that the plant at Ludwigshafen was in a particularly exposed position because of the vicinity to the French border, and at the time it was simultaneously investigated whether the dyestuffs produced in Ludwigshafen could be taken over by the other dyestuffs factories of Hoechst, Leverkusen, and Wolfen. That was the dyestuffs mobilization plan of Farben, or Farben Mob plans.

Q. In Document NI–8777, Exhibit 198, which you have just discussed, mention is made of a certain transfer of production which you suggested. Was this the matter you mentioned about Ludwigshafen?

A. It can only have been Ludwigshafen because, before the outbreak of the war, no production was ever transferred.

Q. Thank you very much. Dr. Struss, in an affidavit which I am going to submit, and which you already know about, Dr. ter Meer has stated that he considered the institution of Mob plans as being quite ridiculous. Is that your opinion too?

A. I remember very well that Dr. Struss, at the time, made a similar remark to me; that was probably also the reason why I did not illustrate that question properly in the Kransberg camp. I think that Dr. Struss meant the following:

Dr. Struss knew as well as I that the safeguarding of supplies with respect to coal, water, and so on, in serious emergencies would be extremely important, and certainly not at all ridiculous. That also applies to deferment of workers. But the manner in which the Mob plans were set up—the abundance of paper, mountains of paper, which were used in that connection, five or six copies, different colors—everything was done in the most complicated manner, and all in order to maintain normal current production. There was bureaucracy, and officials were involved; and I think that all of this unnecessary amount of labor was described as being ridiculous by Dr. Struss. I think that is right, and he certainly would not have tolerated any such ridiculous nonsense in the TEA office.

Q. Can that explain the fact that you yourself did not deal with these matters very much?

A. No doubt.

Q. In conclusion, one more question. Do you know that Farben, on its own initiative, did some work in the field of production plans and mobilization plans? Any work which was not ordered by any officials?

A. I do not know anything of that. I do not believe that I.G. Farben, which had quite a lot to do in this field anyway, would have done anything beyond what they had to do, voluntarily. In my opinion that has never happened.

Q. Did you conclude, from all of this work, that Germany was preparing an aggressive war?

A. In no way at all. I have mentioned before how this so-called economic preparation came about, because of the lack of it during the First World War. It is a matter of course that one would not repeat such a mistake again. Furthermore, it is quite natural that such industrial preparations are necessary for an aggressive war as well as for a defensive war. From the mere setting up of the mobilization plans, as was done in the case of chemistry, no conclusions whatsoever could be drawn.[1]

* * * * * * *

Q. When dealing with mobilization plans you occasionally talked about war supply contracts and about development orders. Can you give us any statements about that?

A. Yes. War supplies were ordered which were given and were to go into effect at the moment war broke out. One such order, for instance, is cited in Document NI–8878, Prosecution Exhibit 211,[2] book 8, page 54 in the German. Smoke-screen agents [Nebelsaeure] are to be delivered from the Hoechst plant. I have tried to find out from the plants now how the matter was with respect to these war supply orders. I didn't succeed, unfortunately, and I must conclude therefore that the amount of such war supply orders cannot have been very large. As far as the development orders are concerned, the same case is true. I tried to find out from the plants what orders of that type were given. I couldn't get any definite information and I, therefore, used Document NI–6144, Prosecution Exhibit 110[3] in book 5, which is the only development order of which I know in the year 1942, I believe, when a contract was concluded with the plant of Hoechst

[1] The testimony which followed concerned Prosecution Exhibits 716 and 719, and is reproduced above in subsection E, "Reorganization of Economy and Early Consideration of Military Economy in the Third Reich."

[2] Not reproduced herein.

[3] Not reproduced herein.

about processing work. This concerned something which it is true was already started in 1934. They are concerned with the preliminary product for hexogen. The procedure with respect to development orders was such that the military authorities didn't have a lot of chemical experts at their disposal. Insofar as they had some, they were active in very limited fields. For instance, powder and ammunition production. It was therefore obvious that military authorities would turn toward the chemical industry when they wanted a certain problem solved. The solution of any such problem (which naturally had a great deal of expenses for industry) led then, as a consequence, to a contract with respect to the development and processing of the problem. We are here concerned with one such instance, but I have not been in a position to find traces of any more of such contracts. I only remember one case when a chemical man at Hoechst told me that Hoechst had to carry out certain research work on dyestuffs for flare ammunition for antiaircraft guns. Whether that was actually one such development order, I don't know. All these matters had to be kept secret at the time, and I therefore cannot really make any definite statement about them. I do assume, however, that before the war there couldn't have existed many such orders.

Q. If I understood you correctly, you stated that war supply contracts are not known to you now, with the exception of the one which has been submitted by the prosecution. Let me point out to you that when we were at Leverkusen we found out that three such war supply contracts had existed. We shall submit a document about that later, but with that limitation I think your answer was correct, Dr. ter Meer. Again and again you have pointed out, with respect to matters now discussed, that the authorities by constant directives, questions, and regulations interfered with the private economic task of I.G. Farben and that, therefore, a great deal of contact with state agencies resulted. We have heard much about Vermittlungsstelle W here, and I think you can be rather brief about this subject, but in summary will you please once more state how, in your opinion, Vermittlungsstelle W was founded, and what your participation therein was?

PRESIDING JUDGE SHAKE: Counsel, it occurred to us that it's been pretty thoroughly covered, and will you please ask the defendant to limit his answer to adding anything that has not been embraced in his previous answer?

Q. You understand that, Dr. ter Meer?

A. Yes. I only have one thing to say with respect to Vermit-

tlungsstelle W. I must explain why in Document NI–5187, Prosecution Exhibit 334,[1] book 12, an erroneous statement is made. This matter was already stated by Dr. von Knieriem when he was examined. We in Kransberg were not clear about which occurrence was decisive. Was it the tasks to be turned over to the Vermittlungsstelle W with respect to the registration of patents abroad and with respect to the licensing of know-how, or was it the suggestion of Professor Krauch to use Vermittlungsstelle W (which he had formerly used in Berlin for his own purposes), to place it also at the disposal of Sparte II and Sparte III in order to carry through the tasks of the Mob plans with the competent governmental authorities? I do know, and I knew at the time, that Dr. Krauch asked me about this matter on the occasion of a meeting at Frankfurt, and I know that Dr. Krauch asked me to send one of my gentlemen there in order to represent Sparte II. I did that, as becomes apparent from the documents of the prosecution. I sent a circular to the plants of my Sparte II.[2] The only thing about which we were not clear in Kransberg was the period involved. Was this conversation the decisive date for the foundation of the Vermittlungsstelle W, or was it the law with respect to high-treason. That's why, in the affidavit, the wrong date is mentioned for the foundation. In the same way, as a result of my insufficient knowledge about the mobilization plan, such matters are not illustrated sufficiently.

Q. Well, you have told us about that before. I don't think we need go into that again. You said just now that you sent Dr. von Bruening [sic] to Berlin to represent Sparte II. Will you tell us please who Dr. von Bruening was?

A. Dr. von Bruening was a chemical man in the Hoechst plant. He was a son of one of the former owners. It [the plant] was formerly called Meister Lucius und Bruening, and he had a reputation as an efficient technical and chemical expert. I really wanted to train Dr. von Bruening for a more important and greater field of tasks later, and it was my habit to entrust these gentlemen with some specific task. I would take them into the TEA office for a year, or I would send them into another plant, giving them a specific job to do. When the question of Vermittlungsstelle W came up I sent Herr von Bruening to Berlin in order to have him handle that job. That would acquaint him and bring him into contact with a number of matters with which

[1] Document has not been reproduced herein. It is a long affidavit of the defendant ter Meer which incorporates a number of written statements or reports by several of the defendants in late 1945 and early 1946, when a number of Farben officials were confined, particularly in Kransberg prison. This explains such statements in ter Meer's testimony as "We in Kransberg" and "We were not clear in Kransberg", etc.

[2] See Document NI–4627, Prosecution Exhibit 139, reproduced in 2 above.

he could never come in contact within the plant of Hoechst; questions of patents, future contracts, production, statistics, and so forth. He contacted official governmental agencies in the plants, et cetera, and that could only be of use to a young man. He was later relieved by Dr. Gorr, who testified here as a witness.

Q. The appointment of Dr. Bruening did not mean the particular significance of Vermittlungsstelle W, and was not intended to emphasize it?

A. No.

Q. Did you participate personally in the work of Vermittlungsstelle W?

A. No, I didn't concern myself with it at all. Dr. Struss has already testified that he knew, exactly, that for the first time, I entered the Vermittlungsstelle W after the outbreak of the war; and that's what I remember myself.

(Recess)

Q. Before the recess we spoke about Vermittlungsstelle W. I have only a few more very brief questions regarding this point.

From your testimony so far, Dr. ter Meer, I gained the impression that the prosecution overestimated and did not understand the significance of Vermittlungsstelle W. Is that correct?

A. Yes, that is absolutely my opinion also.

Q. In the case of Vermittlungsstelle W, was that really only a central agency regulating business transactions of Farben with the authorities?

A. Yes. It was a customary arrangement with Farben. It arose because of the large number of our plants where, in all events, we had to take coordinated measures and, just as I stated this morning, in the case of air-raid precaution measures, I asked Mr. Jaehne to take over this central direction for all plants. In the same manner here, where there were numerous authorities on the one hand, and numerous plants on the other, it was easily possible that misunderstandings and errors might have arisen and, therefore, it was a necessity to have this agency for order and coordination. Some representatives of this Vermittlungsstelle, mediating agency, have been here as witnesses who worked as collaborators and as associates in the offices, and whose acquaintance we made here in the courtroom. It was certainly not a directing agency of Farben (Leitungsstelle).

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Q. Did you consider Vermittlungsstelle W as a means for an aggressive war?

A. No.

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c. Testimony of Defendant Buergin

[Statement from the judgment concerning the personal history, positions, and affiliations of Defendant Ernst Buergin:

"*BUERGIN, Ernst*: Born 31 July 1885, Wyhlen, Baden. Electrochemist. 1938–1945 member of Vorstand; 1937–1945 guest attendant and member of Technical Committee; chief of Works Combine Central Germany and member of Chemicals Committee during same periods; chief of the Bitterfeld and Wolfen plants; member of various Farben control groups in Germany, Norway, Switzerland, and Spain.

"Member of Nazi Party and German Labor Front; Military Economy Leader; collaborator of Krauch in the Four Year Plan; chairman of technical committees for certain important products, Economic Group Chemical Industry."]

EXTRACT FROM THE TESTIMONY OF DEFENDANT BUERGIN*

CROSS-EXAMINATION

* * * * * * *

MR. CHARMATZ: Now you testified yesterday at some length about the importance of the light metals and about the Bitterfeld Works Combine for peacetime production. Now, before you became the head of the Central Germany Works Combine—before that time, were you aware of the importance of this Works Combine for the production of armaments and the production of the so-called K and L products, the so-called war-important and vital products? May I rephrase the question? Were you, before 1938, aware of this importance?

DEFENDANT BUERGIN: The sales channels for the individual products were only known to me on a large scale. Where, in the final analysis, the individual products ended, only the sales organization would know about, and also the people who had to deal with the transportation.

Q. Well, may I interrupt you for a moment? Now, once more I ask you the question, were you aware, not of where the things went to, but of the importance of the Works Combine Central Germany for armament products and the so-called K and L products?

A. In my opinion, Bitterfeld was not active under the category of armament products, if you are speaking of Bitterfeld.

Q. Well, maybe I can make myself a little bit clearer. Now, Dr. Buergin, didn't you give a lecture in 1937, at which the representatives of all the military-economic and other military agencies in Central Germany were present, on a topic like that?

A. I can't remember.

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* Complete testimony is recorded in mimeographed transcript, 3, 4, 5 March, 11 May 1948, pp. 8340–8476, 14313–14321. Further extracts are reproduced below in subsection I 7*d* and in section IX F 6, volume VIII, this series.

Q. Well maybe I can refresh your memory. May I offer in evidence the Document NI–14306?

PRESIDING JUDGE SHAKE: Just a moment. You'd better give that a number.

MR. CHARMATZ: I'm sorry. I marked it as Exhibit 1959,[1] Your Honor.

PRESIDING JUDGE SHAKE: Thank you.

MR. CHARMATZ: Will you please notice the distribution list, and then, on page 2, the item 2? Has this refreshed your memory, Dr. Buergin, that you were aware of the importance of the plants of the Works Combine Central Germany for the production of armament products and the so-called K and L products?

A. Even after having seen the document I can't remember this incident.

MR. CHARMATZ: Well, that will be sufficient.

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d. Testimony of Defendant Kuehne

EXTRACTS FROM THE TESTIMONY OF DEFENDANT KUEHNE[2]

CROSS-EXAMINATION

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MR. SPRECHER: Now we have a few questions concerning mobilization questions, the Four Year Plan, and the chemical plants in Austria which fell under Donauchemie after 1938, where you were the Director General. My questions relate to the period after the occupation of Austria in March 1938, and the outbreak of war in September 1939. During this period, did you take up with Dr. Pohland, of Krauch's office, the project of having Donauchemie erect a sulfuric acid factory at Moosbierbaum?

DEFENDANT KUEHNE: Yes.

Q. Now during this same period, did you agree that the plants at Donauchemie should be included within the general mobilization plan?

A. I cannot recall that, but it might be possible that I pointed out that the sulfuric acid plant could be necessary for the new rayon industry which was being set up there.

Q. Well, Skoda-Wetzler also had something to do with the production of powder, didn't it? Explosives?

A. No, no.

Q. Didn't the government build a rather large explosive plant a very short distance from IG Moosbierbaum during the war?

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[1] Reproduced in 2 above.

[2] Further extracts are reproduced above in subsections C 5 *f* and G 4.

A. No. I recall that the Armed Forces had a depot there, and I believe an ammunition depot too, but not an explosive factory.

Q. Now, in connection with mobilization plans of Donauchemie, did you send Dr. Warnecke down to Austria in order to get those things in proper order during the year 1939?

A. I cannot recall that.

Q. Did you know whether or not Donauchemie received its instructions from Leverkusen to propose, or to prepare deferment schedules, for the workers who would be indispensable during a possible war, less than six months before war actually broke out, or don't you remember?

A. I cannot recall that.

Q. Did you know that certain deadlines had been established with respect to fixing the mobilization tasks for certain of the products which Donauchemie did produce in 1939?

A. 1939?

Q. Yes.

A. I cannot recall that Moosbierbaum produced any materials at all which might have been of importance for mobilization.

Q. Now what about the plants of Donauchemie as a whole, not only Moosbierbaum?

A. Even about the other plants it's the same. The only thing you could talk of would be Landeck where ferrosilicon was produced to a certain extent in lieu of ferro-carbide.

Q. In this connection, we will introduce Document NI–14750, as Prosecution Exhibit 2073.[1] This is a letter from Dr. Warnecke in Leverkusen to Dr. Gorr of Vermittlungsstelle W, in which he talks about certain discussions with you and certain plans for Donauchemie plants in connection with Mob planning, dated 3 March 1939. Now we'd also like to introduce in that same connection Document NI–14747 which will become Prosecution Exhibit 2074.[2] Now, yesterday you spoke about Donauchemie having little or nothing to do with the Four Year Plan. Did you know that Skoda-Wetzler, one of the subfirms affected by the Donauchemie organization, applied to the defendant, von der Heyde, to get it its number of identification within the Four Year Plan—or rather to get a number of identification within the Four Year Plan because of the new sulfuric acid plant at Mossbierbaum?

A. That might be possible, because at that time it was extremely difficult to get material for building projects, and we had laid the foundations for that factory. I have mentioned already yesterday that we had started in 1938, and had finished the project only as late as 1943. There, of course, it's possible that,

[1] Reproduced in 2 above.

[2] Reproduced below in subsection O 5.

in order to get materials, we pointed out a certain importance for that project.

Q. Well, did you have the idea that the authorities at that time were of the opinion that the entire planned expansion of Donauchemie was really not important within the scope of the Four Year Plan?

A. Mr. Prosecutor, that went in one direction and the other during those years. At one occasion this sulfuric acid installation was considered extremely important, and then perhaps two months later we would receive information: "No, we have no further interest in that matter." Then later again we received instructions that we would have to push on that matter immediately and finish it. That was the way at that time.

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REDIRECT EXAMINATION

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DR. NATH (counsel for defendant Kuehne): I now come to the next exhibit. This is Document NI–14750 Prosecution Exhibit 2073, and I shall take the next one too—Document NI–14747, Prosecution Exhibit 2074. This is a letter from Leverkusen to Vermittlungsstelle W in Berlin, dated 3 March 1939. Can I ask you first who signed this letter of 3 March?

DEFENDANT KUEHNE: I see no signature here. But according to the sign on this letter it was my secretary, Dr. Warnecke.

Q. Did your secretary, Dr. Warnecke, have certain functions in Leverkusen?

A. Dr. Warnecke and a Dr. Dobmeier had to keep contact with Vermittlungsstelle W and the offices in Berlin, and also with the other Farben plants.

Q. In the second paragraph of this letter it is said that a visit to the Reich Office for Economic Development had been suggested by Dr. Pohland. Will you please tell us briefly what the purpose of this visit was?

A. That is stated in the letter in the next sentence, namely: in order to discuss with Mr. Pohland the project for the establishment of a sulfuric acid factory at Moosbierbaum. In my examination by my counsel I stated that the first thing that I had done at Moosbierbaum for modernization in 1938 was lay the cornerstone for a new sulfuric acid factory which was to replace the old building. Now, as early as 1938, we got no more raw materials unless the project in question was approved by the Office of Economic Development in Berlin, and Mr. Pohland had to approve the sulfuric acid factories. Therefore, if I wanted to

build, I had to have Mr. Pohland's approval so that I could get building materials. That is why this consultation with Mr. Pohland was arranged.

Q. Dr. Kuehne, for what purpose was the construction of the sulfuric acid factory at Moosbierbaum planned?

A. This sulfuric acid factory was to replace an old building which existed at Moosbierbaum. The main purpose of the new building was to supply the silk factory at St. Poelten with sulfuric acid.

Q. If I understand you correctly that was a silk factory which already existed.

A. Yes.

Q. Is it true if I say that the establishment of this sulfuric acid factory was not destined for armament purposes or for preparation for a war of aggression?

A. No, not at all. That can be best seen from the fact that although the cornerstone was laid in the summer or the fall of 1938, it was only in July 1943 that this plant went into operation, because up to that time we were not able to get enough materials. That is confirmed by the affidavit of Schueth, Document Kuehne 58, Defense Exhibit 58,[1] in book 2. Also the fact is confirmed by the affidavit of Platzer, Kuehne Defense Exhibit 61,[2] Kuehne Document 61, which confirms that in no plant of Donauchemie were armament products produced.

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e. Testimony of Defendant Wurster

[Statement from the judgment concerning personal history, positions, and affiliations of Defendant Karl Wurster:

"*WURSTER, Karl*: Born 2 December 1900, Stuttgart. Doctor of Chemistry. For a brief period assistant in the Institute for Inorganic Chemistry and Chemical Technology at Stuttgart Polytechnic. 1938–1945, member of Vorstand, Technical Committee, and Chemicals Committee; 1940–1945, chief of Works Combine Upper Rhine; chairman of Inorganics Committee and Plant Leader of the Oppau plant, Ludwigshafen; member of Aufsichtsrat in several Farben concerns.

Member of Nazi Party and German Labor Front; Military Economy Leader; collaborator of Krauch in the Four-Year Plan, Office for German Raw Materials and Synthetics; acting vice-chairman of Presidium, Economic Group Chemical Industry, and chief and chairman of its Technical Committee, Sub-Group for Sulfur and Sulfur Compounds; holder of the Knight's Cross of the War Merit Cross."]

[1] Not reproduced herein.

[2] Not reproduced herein.

EXTRACTS FROM THE TESTIMONY OF DEFENDANT WURSTER[1]

DIRECT EXAMINATION

* * * * * * *

DR. HEINTZELER: (associate counsel for defendant Wurster): I now come to the so-called mobilization plans, and I ask the indulgence of the Tribunal if I spend somewhat more time on this subject. I believe it is necessary to go into some detail here because the example of the Ludwigshafen plant is an especially good illustration of whether the assertion of the indictment in paragraph 23 is correct or incorrect, namely, and I quote: "September, 1939, and the invasion of Poland found Farben long since converted to a wartime footing."

My first question on this subject, Dr. Wurster: Before the first of January 1938, before you became a Vorstand member and the plant leader of Ludwigshafen, was the working out of mobilization plans one of your duties?

DEFENDANT WURSTER: No. As I have already said, before this time I was only the head of one production department. Therefore I can say nothing from my own knowledge in regard to the prosecution documents concerning mobilization plans before this time.

Q. I then ask you to tell the Tribunal, speaking from a general point of view, what the mobilization ideas were of the authorities in respect to the Ludwigshafen-Oppau plants, after 1 January 1938.

A. The ideas of the Berlin authorities were less to mobilize Ludwigshafen for war than to mobilize the production. The authorities apparently believed that, because of its situation very near the western border of the Reich, Ludwigshafen was in great danger, and therefore it would not be able to produce in case of emergency. I did not think that this idea was evidence of an intention to wage a war of aggression.

* * * * * * *

Q. May I ask you, Dr. Wurster, with the aid of this map [Wurster Doc. 16, Wurster Def. Ex. 3][2] to explain the position of Ludwigshafen with respect to the French border?

A. The map shows at a glance that Ludwigshafen is about 60 kilometers from the French border; that is, about 40 miles—that is very near.

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[1] Complete testimony is recorded in mimeographed transcript, 8, 9, 12 April 1948, pp. 10861–10874; 10909–11011; 11044–11127; 11202–11206. Further extracts are reproduced below in subsection I 7 *g* and in section VIII C 4 in volume VIII, this series.

[2] A map of Western Germany, not reproduced herein.

Q. I now come back to the mobilization preparations for Ludwigshafen. You said that the Berlin authorities were of the opinion that Ludwigshafen, in the event of war, could not continue to produce. Can you give me proof of the correctness of this statement? Can you find any proof for this in the documents already in evidence?

A. Yes; for example, in a letter from the Reich Ministry of Economics to the Vermittlungsstelle W, of 5 July 1939, Document NI–7121,[1] Prosecution Exhibit 230, book 8, English page 122, German page 139.

Q. What was the practical result of the attitude of the authorities in Berlin on the question of the production at Ludwigshafen in the event of war?

A. There were two practical results. First, no big expansion was to be planned at Ludwigshafen. Secondly, the idea was discussed that part of the production installations at Ludwigshafen should be moved to better protected areas; for example, Central Germany. One could do little against the first idea. I more or less sabotaged the second idea because I did not think there would be a war, and therefore I thought it madness to ruin this beautiful factory by dismantling its apparatus. Therefore, my experts on mobilization questions had instructions to procrastinate and to see that nothing foolish was done.

Q. Can you perhaps find any confirmation in the documents in evidence for your policy of procrastinating in mobilization questions and preventing any foolish mutilation of your plant?

A. Yes, I find such a confirmation for example in Document EC–97, Prosecution Exhibit 229,[2] book 8, English page 117, German page 135. This is a file note of a conference at the Control Office Chemistry on 26 October 1938—no, excuse me, that is the wrong date—8 December 1938. The conference was on 6 December; the document was drawn up on the 8th.

Q. Excuse me for interrupting you. In presenting this document on 4 September 1947, the prosecution pointed out that according to this document, Ludwigshafen had asked the authorities whether, in case of emergency, Ludwigshafen would be able to produce. The prosecution added that this was a clear case in which the initiative came from Farben. Will you please comment on that?

A. I do not recall that I myself saw this document before the trial. It is an official document. I gather from the contents that Dr. Moll from Luwigshafen was present during the discussion.

Q. Who was Dr. Moll?

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[1] Reproduced in part in 2 above.

[2] Reproduced in full in 2 above.

A. Dr. Moll was the man in charge of deferments. He had to draw up the lists of the employees who, in case of mobilization, were indispensable for the plant and should not be drafted.

Q. What was Dr. Moll's rank in the factory?

A. None; his work was not so important as that. He had not even any power of attorney.

Q. Did this job exist only in your plant, or was it routine work that existed in every factory?

A. Absolutely routine. I might say there was only one consideration that influenced me in selecting this person for this job, and that was that he had to be a man of very good character, who, during the war, would never be influenced by any aims. I may say of him that he was not a Party member, and had lost two sons in the war. I believe there is no better guarantee for his objectivity.

Q. Will you please speak about the purpose of Dr. Moll's presence in this conference?

A. I imagine that in preparing his list for the Wehrmacht authorities, Dr. Moll had run up against some difficulty because he was told that Ludwigshafen would not be producing in case of war, and that therefore he could not make any list of personnel. Consequently, he no doubt went to the Control Office for Chemistry and tried to find out whether we would not be able to produce to a certain extent. That is how I explain the purpose of his visit.

Q. And what does this Prosecution Exhibit 229 say about Dr. Moll's ideas expressed at this meeting?

A. I should like to refer to the second paragraph from the end—

MR. SPRECHER: Just a second. Mr. President, I don't know on the basis of the qualification by Dr. Heintzeler as to what qualifications this witness has to talk about it, on the basis of his own testimony. He states that he does not know whether he saw it; nothing has been said as to whether or not he discussed it with Moll or whether he didn't. And now he is being asked a hypothetical question as to how he construes certain parts of the documents. Now the document, I think, will speak for itself, unless a different qualification is laid.

DR. HEINTZELER: Mr. President, may I make a brief explanation. I believe that Dr. Moll was under Dr. Wurster, and since we are speaking about the general policy of the Ludwigshafen plant during these years I consider it expedient and relevant for Dr. Wurster to reconstruct this policy with the aid of the prosecution documents.

PRESIDING JUDGE SHAKE: It appears from the evidence that

this defendant at the time held a position of responsibility in the plant that would perhaps justify the conclusion that he had some general or special knowledge of policies. There is no occasion for his reading the excerpt from the document further than to identify the subject matter of his statement. The Tribunal is inclined to the view that if he can interpret, throw any light on the surrounding circumstances of this document offered by the Prosecution, he is entitled to do it.

The objection is overruled.

DEFENDANT WURSTER: I believe it will not be necessary to quote from the documents. I can simply say that Dr. Moll, as a representative of our plant, negotiated with the Berlin gentlemen at this conference to the effect that Ludwigshafen should be able to continue production undisturbed as far as possible, and in that way retain as many as possible of its employees.

Q. You mentioned a short time ago that the Berlin authorities were considering having production installations of Ludwigshafen-Oppau transferred to some other place. Will you please tell me whether you can give me any details about that? For the purpose of saving time, you may consult documents already in evidence.

A. I had better refer to two exhibits; Prosecution Exhibit 231, NI–7125,[1] book 8, English page 126, German page 146, a letter of Vermittlungsstelle W to the Reich Ministry of Economics of 5 July 1939; and Prosecution Exhibit 232, NI–7124,[2] book 8, English page 132, German page 160, a letter from the same office to the same address, dated 7 July.

These two letters show that the Berlin authorities, as late as July 1939, were considering transferring important productions from Ludwigshafen.

Q. And the contents of these two letters agree with your recollection on this point?

A. Yes.

Q. Then there is Document NI–7122 which has been submitted as Prosecution Exhibit 268,[3] book 10, English page 32, German page 41. This document says that since September 1938, a so-called Evacuation Plan was in effect for the Ludwigshafen plant. Do you know anything about that, Dr. Wurster?

A. I learned of the document itself only here, but I know that such questions were discussed and that the Evacuation Plan was a plan by means of which apparatus, raw materials, and finished products could be quickly evacuated to more protected areas in

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[1] Reproduced below in subsection I 2.
[2] Reproduced in 2 above.
[3] Ibid.

the event of war. It is understandable that such considerations did not bring to our minds the idea of a war of aggression.

Q. Dr. Wurster, to make it quite clear, was this a plan to evacuate before 1939, or a plan, in the event of war, to transfer apparatus after the war broke out?

A. It was for the event of war.

Q. The witness Hans Wagner in his affidavit, Document NI–8925 Prosecution Exhibit 247,[1] in Book 9, testified, and confirmed in cross-examination on 9 September 1947, that a Dr. Pfaundler of Vermittlungsstelle W had informed him that the Ludwigshafen plant was adapted to mobilization production as early as July 1939. Do you know anything about that?

A. No. Mr. Wagner said in cross-examination that he heard this from a third person. His assumption is quite unfounded and it is wrong. You will be able to prove the actual circumstances through documents.

Q. My last question regarding the period before the war is this: Did you yourself, personally, before the outbreak of war, ever participate in conferences with the authorities about mobilization plans, for example with the head of the Reich Office for Chemistry, Dr. Ungewitter?

A. No.

Q. But Dr. Ungewitter allegedly informed you in July 1939 that an attack on Poland was to be expected.[2]

A. That is quite wrong. In the months before the outbreak of war, I never saw Dr. Ungewitter, and before the war I had nothing to do with the Economic Group Chemical Industry.

Q. I now come to the outbreak of war. To sum up, may I ask: Did the Ludwigshafen plant have any mobilization duties on the outbreak of war, or was it converted to mobilization production?

A. No; neither. At the end of August 1939, a very few days before the war started, Ludwigshafen received a letter from the Reich Ministry of Economics sending the plant a draft for mobilization duties. This draft was to be worked out and commented on. That was the first letter giving any concrete mobilization duties for Ludwigshafen. The draft of the Ministry was to be worked over by us, but the war broke out before we had started working on it.

Q. I must now put to you what the prosecution has introduced as Exhibit 264, Document NI–2765,[3] book 9, English page 112, German page 144. This is a telegram from Vermittlungsstelle W, dated 3 September 1939, according to which the Ludwigshafen

[1] Reproduced in part below in subsection O 2*b*.

[2] See affidavit of Felix Ehrmann, Document NI–4954, Prosecution Exhibit 500 reproduced below in subsection O 2*a*.

[3] Reproduced in 2 above.

plant—I correct myself—according to which [the plan] for the Ludwigshafen plant, and I quote * * * "The minimum production recently fixed for Ludwigshafen and Oppau also goes into effect immediately with a few changes."

According to this, the Ludwigshafen plant must actually have had a minimum mobilization plan when the war broke out.

A. No, that is not right. With this, I quote, "minimum production recently fixed * * *," the telegram from Vermittlungsstelle W meant the program that I just mentioned, which we received as a draft at the end of August 1939. We were supposed to comment on it. When the war broke out this telegram suddenly declared that this draft was a binding program. That is what happened.

Q. This is the draft which you received on this matter a few days before the war?

A. Yes.

Q. And did the Ludwigshafen plant work according to this minimum program which is mentioned in the telegram?

A. No; the execution of this program was impossible for technical and social reasons. It had been sent to us by the Ministry of Economics without our having been consulted. Therefore, after receiving the telegram of 3 September 1939, I asked one of my associates, Dr. von Nagel, to work out countersuggestions. These countersuggestions were submitted to the Ministry of Economics in a letter of 9 September 1939. They were, in effect, that we were to continue production quite normally.

Q. I should like to put to you two documents introduced by the prosecution, and I should like to ask you what you have to say about these documents in connection with your statements. These documents are records of meetings of an official agency called the Working Staff Chemistry [Arbeitsstab Chemie], and concern the meeting of 12 September 1939, and the meeting 3 days later, 15 September 1939. Regarding the meeting of 12 September, the minutes were introduced as Document NI–7126 Prosecution Exhibit 270,[1] book 9, English page 121, German page 159. The minutes of the meeting of 15 September is Document NI–7136, Prosecution Exhibit 267,[2] in book 10, English page 42, German page 58.

Your Honors, I asked the Secretary General to supply the Tribunal with books 9 and 10, and may I ask the Tribunal to look at these two documents? I believe the witness can illustrate them especially well. The first document is in book 9, English page 121, Exhibit 270. Dr. Wurster, will you please comment first of all on this Exhibit 270, the record of 12 September 1939.

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[1] Reproduced in part in 2 above.

[2] *Ibid.*

A. Dr. Heintzeler, I don't think these are minutes; I believe these are just a draft of the minutes.

Q. What makes you think that?

A. Because it has no signature and, as I pointed out when the document was introduced, paragraph XIII is crossed out in the original. But it seems to me that this record confirms what actually was discussed at this meeting, especially the part that is crossed out.

Q. To complete the picture, Dr. Wurster, what does the crossed-out paragraph XIII say in that one sentence? Is it true, if I say that its purport is that Ludwigshafen was to be given a free hand and was to be allowed to produce as before?

A. That is right.

Q. Why do you conclude the crossed-out paragraph XIII actually reproduces what actually was discussed at the meeting of 12 September?

A. I conclude that from Prosecution Exhibit 267—

DR. HEINTZELLER: Your Honors, this is in book 10, page 42 of the English.

(Recess)

DR. HEINTZELER: Dr. Wurster, at the end of this morning's session you spoke of the minutes of 12 September 1939, Prosecution Exhibit 270, book 9. I had asked you from what you concluded that the crossed-out paragraph XIII of those minutes, concerning Ludwigshafen-Oppau, represented correctly what was actually discussed on 12 September 1939.

A. I concluded that from Prosecution Exhibit 267. These are the minutes of a meeting of 15 September 1939, 3 days later. In these minutes it says in the introduction that decisions reached at the meeting of 12 September 1939 had been read and adopted with slight changes. These slight changes refer, obviously, to the question of mobilization tasks for Ludwigshafen, for during this meeting of 15 September the very opposite was resolved to what had been discussed in the draft under XIII at the meeting of 12 September 1939, which could be seen from that draft.

Q. Can you indicate briefly to the Tribunal how, in your opinion, on the basis of the two prosecution documents, the development of events took place during these few days between 12 and 15 September?

A. Yes. I had said before that the plant submitted a counterproposal on 9 September. Evidently during the meeting of 12 September, Dr. Ungewitter was unable to reject that counterproposal, and therefore he wanted to give us a free hand in spite of the fact that neither the Reich Ministry of Economics nor the

OKW had given approval. In the time between 12 September and 15 September 1939 (the time between the first and second meetings), the OKW apparently expressed its opinion that Ludwigshafen was not to receive any more important mobilization tasks than were originally provided for in the telegram of 3 September of the Vermittlungsstelle. Beyond that, machinery was to be transferred from Ludwigshafen to the East. Therefore, during the second meeting of 15 September, the minimum production program fixed by the telegram of 3 September was to be retained, and only a minor portion of the counterproposals of 9 September were to be accepted. These very two documents, Exhibits 270 and 267, which I saw for the first time here in Nuernberg because I was not present at the meetings, prove clearly that one could not speak of preparations for war at Ludwigshafen, for quite obviously neither the factories nor the authorities knew, 2 weeks after the war broke out, what really should be done, and things were discussed which could not have been carried out at all.

Q. In your recollection, were the decisions of the so-called Working Staff Chemistry, reached at the meeting of 15 September 1939, actually carried out?

A. No. There was a lot of discussion about that, and when Berlin saw in the course of time that no warlike action was going to occur in the West for the time being, people calmed down gradually. In March 1940 further discussion took place about the transfer of production. That can be seen from Prosecution Exhibit 748, Document NI–7129,* book 40, English page 82, German page 108. This document shows as well that those considerations were not realized either.

Q. Dr. Wurster, if, on the basis of your statements, one tries to follow the events of how the Ludwigshafen plant tried to continue its production in the first weeks of the war, then I must ask you the following question. What did you, as a plant leader, consider when you tried to continue normal production in your plant? What was your motive?

A. If I tried to justify my conduct, I would say that basically I had two motives. A very practical and rational one was the desire to keep our staff of workers and employees together, for I was responsible for them, and so spare them being transferred to other places in Germany and becoming separated from their families. That is not easy for a South German. I said yesterday everybody had a piece of land, even if it was only a few hundred square meters, and they were attached to the soil. The second

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* Reproduced in 2 above.

motive is, perhaps, a more irrational motive. My ancestors, beginning with my grandfather, were all farmers, and they all loved the soil. My soil was the plant for which I was responsible, and I felt an obligation to retain and maintain the plant, the fate of which was entrusted to me.

* * * * * * *

I. Stockpiling, Storage of Materials, and Dispersal of Production

I. INTRODUCTION

Count one of the indictment, under the major subdivision, "E. Farben Procured and Stockpiled Critical War Materials for the Nazi Offensive," alleged that Farben officials and various Farben plants or agencies engaged in stockpiling of various kinds in connection with preparations for aggressive war (pars. 46–48). These allegations are closely related to the question of the dispersal of production, and the two subjects are both covered by the evidence included below.

The materials in the present subsection are arranged as follows: contemporaneous documents (2 below); an affidavit of Prosecution Witness Wagner, an official of Farben's Liaison Office Wehrmacht (3 below); an affidavit and related testimony of Prosecution Witness Struss, chief of the office of Farben's Technical Committee (4 below); testimony of Prosecution Witness Elias (5 below); extracts from an interrogation and the testimony of Defendant von Knieriem (6 below); and testimony of seven defendants, Krauch, ter Meer, Schneider, Buergin, Buetefisch, Haefliger, and Wurster (7 below).

2. CONTEMPORANEOUS DOCUMENTS

PARTIAL TRANSLATION OF DOCUMENT NI-8843 PROSECUTION EXHIBIT 749

CORRESPONDENCE BETWEEN FARBEN AND MILITARY AGENCIES, 1934, 1935, AND 1937, CONCERNING THE STORAGE OF IRON PYRITES

1. Letter from Deputy Director Westpfahl in Berlin to Army Ordnance Office, 16 October 1934

Rudolf E. Westpfahl
Deputy Director
I.G. Farbenindustrie A.G.
Berlin

Berlin SO 36, 16 October 1934
Lohnmuehlenstrasse 65–67
We/kd

Strictly confidential!

Army Ordnance Office

Attention Major Becht

Berlin-Charlottenburg 2, Jebenstrasse 1

Subject: Storage of iron pyrites *

Dear Major,

I report as follows concerning the present situation with regard to the storage of iron pyrites:

Stored in Doeberitz	5,012,930 kg	Orkla fine ore.
Stored in Kruemmel	2,052,852 kg	Rio Tinto coarse pyrites.
Arrived in Hamburg for Kruemmel and in process of transfer	3,400,000 kg	Rio Tinto coarse pyrites.
Leaving Spain at end of October for Kruemmel	2,500,000 kg	Rio Tinto coarse pyrites.

In addition, one steamer will leave for Kruemmel with 6,000 tons Rio Tinto coarse pyrites in November and in December.

With German greetings

[Signed] WESTPFAHL

* Pyrites at this time were the basic raw materials for the production of sulfuric acid in Germany. See Document EC-128, Prosecution Exhibit 716, a military report on the progress of mobilization dated 30 September 1934, reproduced above in subsection E 2.

2. Letter from the Army Ordnance Office to Farben, 23 October 1934

Major Becht 23 October 1934

Strictly confidential!

Director Rudolf E. Westpfahl

I.G. Farbenindustrie A.G.

Berlin S.O. 36, Lohmuehlenstrasse 65/67

Dear Director;

Thank you very much for your communication of 16 October concerning the situation with regard to the storage of iron pyrites. Since a decision will have to be made shortly as to whether an additional 25,000 tons are to be stored or not, I respectfully request information as to how far the preliminary work for the partial conversion of Wolfen to calcium sulfate has progressed.

With German greetings

[Signed] B [BECHT]

3. Letter from Farben's Berlin Office to the Army Ordnance Office, 14 January 1935

Rudolf E. Westpfahl

Deputy Director of the I.G. Farbenindustrie A.G.

Berlin

Berlin SO 36, 14 January 1935

Lohmuehlenstrasse 65–67

Strictly confidential!

Major Becht

Army Ordnance Office

Berlin-Charlottenburg, Jebenstrasse

Subject: Storage of iron pyrites

Dear Major;

In connection with my communication of the 27th of last month, I report that we now have in storage:

In Doeberitz_____ 5,012,930 kg Orkla fine ore.

In Kruemmel _____ 19,895,773 kg Rio Tinto coarse pyrites.

This concludes the storage operation.

With German greetings

[Signed] WESTPFAHL

4. Letter from the Reich Ministry of Economics to the Reich Ministry of War, 22 January 1935, Concerning Farben's Storage of Iron Pyrites

Reich Minister of Economics and Prussian Minister for
Industry and Labor

Berlin W 8, 22 January 1935
Behrenstrasse 43

Secret

To the Reich Minister of War
Attention: Major Warlimont or deputy
Military Economic and Ordnance affairs
Berlin-Charlottenburg

Subject: Storage of iron pyrites

The I.G. Farbenindustrie A.G., Berlin, advises me under date of 14 January 1935 that there have now been stored:

In Doeberitz_____ 5,012,930 kg Orkla fine ore.

In Kruemmel_____ 19,895,773 kg Rio Tinto coarse pyrites.

I.G. Farben states further that this storage was made in addition to the usual stockpiling of iron pyrites.

By order

[Signed] DR. BARTH

5. Letter from Farben's Liaison Office Wehrmacht to the Military Economy Office, 14 October 1935, Concerning the Storage of Iron Pyrites

I.G. Farbenindustrie A.G., Vermittlungsstelle W
Berlin NW 7, Unter den Linden 78
A 2 Flora 0021

Berlin NW 7 14 October 1935
Unter den Linden 78

Dipl. Ing. Wissmann
Military Economy Office
Berlin W, Bendlerstrasse 27

Subject: Stocks of iron pyrites

In accordance with your request we give you below the supplies of iron pyrites which were on hand in the individual IG plants on 1 October of this year:

Ludwigshafen	37,184	tons.
Leverkusen	61,810	tons.
Dormagen	6,444	tons.
Uerdingen	8,607	tons.
Hoechst	28,656	tons.
Wolfen	5,913	tons.
Wolfen in addition	500	tons lignite pyrites.
Doeberitz	11,378	tons.
Total	160,492	tons.

Heil Hitler!

[Stamp] Vermittlungsstelle W General

[Signed] RITTER

6. Letter from the Military Economics Office to Defendant Wurster, 21 December 1937, Concerning Storage of Iron Pyrites

Berlin W 35, 21 December 1937
Tirpitzufer 72–76

Secret

To I.G. Farbenindustrie A.G.
Director Dr. Wurster
Ludwigshafen Rhine
through Vermittlungsstelle W

Berlin W 8
Unter den Linden 78

Reference: Communication Inorganic Dept. of 29 November 1937
Subject: Storage of iron pyrites

The order of the Control Office Chemistry (Ueberwachungsstelle fuer Chemie), according to which the supplies of iron pyrites in Ludwigshafen are to be diminished, originated here. Since Ludwigshafen is located in an endangered border region, it is not feasible for reasons of military economy that iron pyrites should be stored there in quantities which exceed the normal storage quantities. The order of the Control Office Chemistry did not aim at or arrange for the removal of the pyrites in Ludwigshafen, but only intended a gradual reduction of the storage to the amount which was necessary there for the maintenance of operations before the beginning of the increased storage. But above all, a further increase of the quantities in storage is to be prevented.

It is the opinion of this office that the attempt at storage, which you have begun, could just as well be undertaken at another IG

plant. But the Reich War Ministry has no misgivings with regard to carrying out the experiments in question in amounts above the normal storage, not exceeding 10,000 tons, in Ludwigshafen.

By order

[Signed] MURECK
Department Chief, Regierungsrat and GruppenLeiter

PARTIAL TRANSLATION OF DOCUMENT NI-14580
PROSECUTION EXHIBIT 2007

FARBEN MEMORANDUM SENT TO DEFENDANT HAEFLIGER AND OTHERS, 19 JUNE 1935, CONCERNING A DISCUSSION WITH THE REICH MINISTRY OF ECONOMICS AND THE ARMY ORDNANCE OFFICE CONCERNING THE STORAGE OF LARGER QUANTITIES OF TUNGSTEN ORES IN CENTRAL GERMANY AND THE EXPANSION OF FERRO-ALLOY PRODUCTION IN CENTRAL GERMANY

Subject: Ferro alloys

Present: Pistor (part of the time), Meyer-Kuester, Jaeger, Suchy, Meyer

* * * * * * *

Discussion RWM [Reich Ministry of Economics] and "HWA" [Army Ordnance Office]

The RWM desires to have larger quantities of tungsten ores stored in Central Germany. The association had previously expressed its willingness to bear the cost to a certain extent. Teutschenthal was considered as a place for storage; however, Bitterfeld North will also look into the matter on its part.

In view of the strongly emphasized request of the government for the transfer of the ferro-alloy production from the German border (Soellingen and Weisweiler) to the interior of the country, the question of repairing the Teutschenthal plant has become acute. The putting into operation of two electric furnaces for ferrotungsten and ferromolybdenum would, on the basis of last year's estimate, require about 135,000 reichsmarks. In principle, they are willing to expand production if the price of electric power in Teutschenthal works out more favorably in the current year, as is to be expected. Above all, in view of the efforts of *Krupp* (Ferrolegierungs G.m.b.H.)—who, in addition to producing ferrosilicon, also contemplate producing ferrochrome, and recently, ferrotungsten and ferromolybdenum, themselves in the Ruhr area—it appears absolutely necessary to be able to show a sufficiently high production capacity in the forthcoming negotiations to support the Reich agencies, which for strategic reasons

disapprove of *Krupp's* aims in frustrating these efforts. There is a request from C. H. *Starck* to incorporate the Rhine furnaces in the Teutschenthal plant and to establish joint production. *Meyer-Kuester* considers collaboration in the sphere of metals with C. H. Starck as very *desirable.*

* * * * * * *

[Signed] MEYER

Bitterfeld, 19 June 1935

Dr. M/D

Copy:

Management Bitterfeld
Director Haefliger, Frankfurt
Director Meyer-Kuester
Director Dr. Jaeger, Bitterfeld

TRANSLATION OF DOCUMENT NI-9549
PROSECUTION EXHIBIT 720

CONFIDENTIAL FARBEN MEMORANDUM, 11 SEPTEMBER 1935, CONCERNING CONFERENCE WITH GOVERNMENT OFFICIALS AT THE OPPAU PLANT WITH RESPECT TO STOCKPILING OF NICKEL, AND RELATED MATTERS

Highly Confidential

11 September 1935

I.G. Farbenindustrie A.G.

Ludwigshafen/Rhine

Nickel Factory, Oppau

Inspection Report

Date: 16 August 1935

Place of meeting: Oppau

Present were: Reichsbahnrat [Reichsbahn Counsellor] Otto, Reich and Prussian Ministry of Economics, Berlin W 8, Behrenstrasse 43.
Regierungsrat and Baurat Schumacher, Reich and Prussian Ministry of Economics, Department for Special Economic Questions, Stuttgart.
Dipl. Ing. Ernst Wuerth, Wuerttemberg Trade Office, Stuttgart.
From IG Director Dr. Fahrenhorst (temporarily)
Dr. Schlecht.

Subject: Nickel Factory, Oppau

To begin with, we gave detailed information to Reichsbahnrat Otto and his collaborators, Regierungsrat and Baurat Schumacher

and Dipl. Ing. Ernst Wuerth, by means of a sketch, as to the operations employed in the process of gaining metallic nickel through nickel carbonyl, as carried out at Oppau.

In response to the inquiries of the gentlemen from the Reich Ministry of Economics, we informed them that we are drawing all our raw material for our nickel production from the International Nickel Company in Canada in the form of nickel-copper matte, and that the nickel quota which was granted the IG, on the basis of lengthy negotiations with the International Nickel Company, will be approximately 2,000 tons for next year.

Herr Otto informed us that the Ministry of Economics deemed it desirable—

1. To transfer the plant using the Farben process for the production of metallic nickel from Oppau to some other place, for instance to Central Germany;

2. To produce, if at all possible, a still larger quantity than approximately 2,000 tons of nickel per year; and

3. To stockpile as large a supply of nickel-copper matte in Germany as possible.

We replied to point 1 that our Oppau nickel plant had not been newly set up, but that, to a great extent it consisted of old, already existing buildings and apparatus from the manufacturing plants for the production of ferric carbonyl and nitrogen; whereas a new plant, for instance in Central Germany, would be considerably more expensive (one would have to expect an expenditure of roughly 5 to 7 million marks). Furthermore, the carbonyl high-pressure process requires pure carbon monoxide, nitrogen, and, apart from that, extensive high-pressure plants, so that this process, considering the relatively small output in our case, could really only be carried out in combination with, and in the neighborhood of, a nitrogen factory.

To point 2 we replied, particularly stressing the monopoly position of the Inco [International Nickel Company] on the nickel raw material market, that the nickel quota which the IG was granted by the Inco after lengthy negotiations, was the absolute maximum obtainable, since the Inco had originally intended to grant IG an output of approximately only 300 tons of nickel per year altogether.

Concerning point 3, we informed them that we will try everything in order to obtain from Inco a larger supply of nickel-copper matte for stockpiling; we emphasized however, that, according to the contract, we are not authorized to hold a stock which is larger than is required by our production. On this occasion we pointed out—and Herr Otto was in full agreement with this—that it would be far more practical to maintain in

Germany a considerable stock of nickel in metallic form (for instance, 5,000 to 8,000 tons of nickel, as in France) in the form of coins and other pure nickel objects which can easily be called in. For even when stockpiling a raw material supply for an annual production corresponding to our quota, though the nickel plant were situated in Central Germany, it would still be uncertain whether this stored raw material could be converted without interference into metallic nickel, and whether further supplies of nickel raw material to this plant would be possible.

During the subsequent inspection of the Oppau nickel factory, the gentlemen convinced themselves that these plants had already been in existence for some time and were only being converted, and that the construction of a new plant of the same kind would require much money. As a result of the further inspection of the nitrogen factory (in which Dr. Kraze acted as guide), the gentlemen furthermore realized the advantages of the nickel process yielding as byproduct, carbon monoxide, which automatically occurs in nitrogen-hydrogen production, and the large-scale and expansive high pressure plant available for ammonia synthesis.

In conclusion, the gentlemen expressed their great satisfaction at the rapid development of the Oppau nickel production and at its considerable extent, which had already had a favorable effect on the foreign currency situation.

[Signed] SCHLECHT [1]

Carbon copy [2]

[1] Dr. Leo Schlecht was a chemist at Farben's Ludwigshafen-Oppau plant. An affidavit by him, concerning the production and stockpiling of nickel, Haefliger Document 27, Haefliger Defense Exhibit 20, is not reproduced herein.

[2] Carbon copies were shown as going to the defendants Krauch and Haefliger, and to a number of other Farben officials or Farben offices.

PARTIAL TRANSLATION OF DOCUMENT NI–4921
PROSECUTION EXHIBIT 722

LETTER FROM DEFENDANT VON KNIERIEM AND BRENDEL TO FARBEN'S LIAISON AGENCY WEHRMACHT, WITH COPIES TO DEFENDANT HAEFLIGER AND OTHERS, 2 SEPTEMBER 1935, TRANSMITTING A FARBEN STUDY ON "THE PROBLEM OF SUPPLYING GERMANY WITH NICKEL"

I.G. Farbenindustrie Aktiengesellschaft

Copies to: Director Dr. Gaus, Ludwigshafen; Director Weber-Andreae, Frankfurt/M.; Director Haefliger, Frankfurt/M.; Director Meyer-Kuester, Frankfurt/M.; Director Fahrenhorst, and Dr. Mueller-Cunradi, Oppau; Dr. Schlecht, Oppau

To: Vermittlungsstelle W
Berlin NW 7, Unter den Linden 78
[Stamp]
Strictly confidential
Legal Dept. B/G

[Stamp]
Dept. I, Directorate Chemicals
in: 5 Sept. 1936
Ludwigshafen/Rhine
2 September 1936

Registered

Germany's Nickel Supplies

As arranged at the meeting on 31 August 1936 in Berlin, we enclose eight copies of the exposé "The Problem of Supplying Germany with Nickel." Will you please submit the necessary number of copies to the Reich War Ministry. The remaining copies are intended for you and Dr. Krauch.

We request you to notify us of the date for an interview with the government authorities, if possible by return mail. We should like to stress that at this interview not only the technical experts should be present, but also the officials competent to decide whether and to what extent the government is able to promise the refund of the expenses to be incurred.

I.G. Farbenindustrie Aktiengesellschaft

Signed: v. KNIERIEM *

8 enclosures

Signed: BRENDEL

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* The defendant von Knieriem testified concerning his relation to the matters set forth in this letter: "I don't remember this matter. Neither was I present during the discussion conference of 31 August, when the matter of this exposé had been arranged, nor was I present during the conference which must have taken place at a later date. Dr. Brendel [cosignatory of the letter] was probably there, and I merely signed the letter. That is all I can tell you" (Tr. p. 6646).

Frankfurt/Main,
1 September 1936

The Problem of Supplying Germany With Nickel

I. *Problems of supplying ore*

A. Deposits in Germany: Deposits of nickel ore in Germany are negligible.

B. Deposits abroad: The world's biggest deposits are either owned by, or under option in favor of, the Inco-Mond combine; therefore, only a few noncombine ore deposits are known in the world, and these are worked either by independent companies or are exploited to such a small degree that very considerable expense, amounting to more than 500,000 dollars in any individual case, would be necessary to get the mines into a workable condition, and even then it is extremely doubtful whether the mines could compete with the Inco-Mond combine. Such ore deposits are found in Brazil far from the main roads; in British Columbia in a district with very unfavorable climatic conditions; in New Zealand with extremely bad shipping connections; and in Alaska within the Arctic Circle. The few deposits outside the Inco-Mond combine which are worth exploiting, and which are being worked, are either owned by foreign nickel producing companies, for example, Falconbridge Mines, Kristiansand, or by firms which are collaborating with German manufacturers (Greek deposits Euboea—Krupp Frankenstein), or are suppliers of German manufacturers (Burma mines, Saechsische Blaufarbenwerke, Oberschlema). The newly discovered deposits in Finland are also under option to the Inco-Mond combine.

II. *The importance of the Inco-Mond combine*

* * * * * * *

III. *Ore preparation processes in use*

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IV. *Result of the dominance of the Inco-Mond combine on world supplies of nickel*

* * * * * * *

V. *Farben's importance for Germany's nickel supply*

Farben's participation in nickel products marketed by the International Nickel Co. outside America amounts to 10 percent.

Farben can produce this 10 percent in its own plants.

At present, Farben is operating a plant in Oppau with a production capacity of 3,000 tons per year and, because of her

friendly relations with the International Nickel Co., might probably be able to attain certain further advantages for Germany's nickel supply. To achieve that, however, Farben needs not only the consent of International Nickel Co., and of the other firms within the combine, but also the support of the Reich War Ministry.

* * * * * * *

VI. *Results of the discussions held with Inco-Mond on expanding Farben's production*

In the discussions held on 28 April 1936, Farben explained to the International Nickel Co. the special difficulties of supplying Germany, and stressed the necessity of accumulating bigger stocks than hitherto. The International Nickel Co. showed full understanding of Farben's wishes and proposed that during the next 5 years a stock of 5,000 tons of nickel should be established in Germany which should be administered according to the contract obligations and paid for in accordance with the stipulations of the contract. Here, Farben has done some preparatory work along the lines of the Reich War Ministry's wishes. The accumulation of these stocks imposes a major burden on the International Nickel Co., which is all the heavier because the International Nickel Co. has at present not only no ore stocks at its disposal but also has to increase the size of its plants, which can be kept working only as long as the present maximum demand continues. It must not be forgotten that the increase of German requirements is much smaller than the increase in other countries because of the restriction on the use of nickel imposed by the Control Office for Non-Precious Metals. The sales of Inco-Mond in 1935 compared with 1934 have increased in England by 17 percent, in Russia by 114 percent, in Japan by 112 percent, in Italy by 107 percent, in Austria by 50 percent; whereas during the same period, the German requirements have increased by only 9 percent, as far as the Inco-Mond combine is concerned. It goes without saying that the willingness shown by the International Nickel Co. to assist in the supply of German requirements entails a great sacrifice and that Farben must therefore not demand too much from this company.

VII. *Stand-by Plant in Central Germany*

The Oppau plant, with its present capacity of 3,000 tons per year is, under normal conditions, perfectly sufficient for complying with our contractual delivery quota of 10 percent. We had to expect orders for much smaller quantities at the time of the conclusion of the agreement. Because the demand in the whole

world has increased by leaps and bounds, the quota will temporarily entail for us a production share of approximately 3,800 tons. It would, however, be most uneconomical to build another plant just because of a most uncertain increase of 800 tons, since it is to be expected that the present abnormal state of affairs, caused in part by the efforts of other countries to accumulate stocks, will undergo considerable reduction. We must therefore state that a plant constructed in Central Germany can only be considered a stand-by plant for armament purposes, which would, of course, offer a possibility of producing the temporary increase which exceeds the Oppau capacity.

For technical reasons, this stand-by plant would have to have a production capacity of approximately 1,500 tons per year. We estimate the expenditure necessary for erecting such a plant to amount to about 3.3 million reichsmarks. The time needed for building it would probably be at least 1 year because of the long delay in the delivery of machinery. If, therefore, the Reich Ministry for War orders the erection of such a plant in Central Germany for the purpose of accumulating stocks in Germany, it could not commence production before 1 January 1938.

The stock of 5,000 tons of nickel offered by Inco-Mond, which is to be delivered from 1937 on and over a period of approximately 5 years, would be processed within a period of about 4 years and would guarantee a workload of some 1,250 tons per year for the new plant. It is, therefore, useless at the present time to carry the negotiations with Inco-Mond beyond the deliberations now under way. To touch the problem of supplying Germany prematurely to the detriment of Inco-Mond plants outside Germany would provoke repercussions which might unfavorably influence the promises already given by Inco-Mond. In order to bring the negotiations with Inco-Mond to a conclusion on the basis hitherto used for the discussions, it is imperative to arrive at a decision regarding the construction of the stand-by plant. On their part, Inco-Mond will have to invest certain sums in order to procure the stocks for Germany.*

Farben is expecting the vice-president of the International Nickel Company, Dr. Thompson, at the end of September, and it

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* A supplementary agreement of 4 May 1937 between Farben and the Mond Nickel Company Ltd., Document NI–10389, Prosecution Exhibit 723, is not reproduced herein. This agreement supplemented an earlier agreement of 1 January 1934. Under the supplementary agreement, the Mond Company bound itself and its controlled companies to deliver, if called upon by Farben, 3,000 tons of nickel-bearing materials for the year 1937, and 4,500 tons of nickel-bearing materials for the years 1938 through 1943 inclusive. This agreement also provided that "In addition to the aforementioned quantities of nickel-bearing materials required by IG for the normal production of commercial nickel," Farben could call upon Mond for the delivery of further nickel-bearing material "to be carried by IG as stock for its own account * * *" There were different limitations for the year 1937 and later years as to how much nickel-bearing material Farben could demand.

is necessary for the continuation of the discussions to know now to what extent the government is prepared to offer suitable assistance for the realization of its wishes, in order to enable us to conduct the negotiations with Dr. Thompson in accordance with its plans.

Farben, therefore, requests an early appointment for a discussion which should take place, in our opinion, during the first half of September. It will be possible to supplement the exposé given above on that occasion. Moreover, Farben will give details on the financial outlay which the erection of a new plant and the projected manufacture of 5,000 tons of nickel would involve.

I.G. Farbenindustrie Aktiengesellschaft

PARTIAL TRANSLATION OF DOCUMENT NI-1148
PROSECUTION EXHIBIT 745

THREE REPORTS OF NEUKIRCH, FARBEN OFFICIAL, ON VISITS TO THE REICH AIR MINISTRY, DECEMBER 1936 AND JANUARY 1937, CONCERNING EXPANSION IN THE USES OF VARIOUS TYPES OF ELECTRON METALS, STOCKPILING OF VARIOUS LIGHT METALS, AND RELATED MATTERS

1. Report Concerning Visit of 21 December 1936

Strictly confidential

Report on the visit to the RLM [Reich Air Ministry] on 21 December 1936

Subject: B El*

Present: Army Architect [Militaerbaumeister] Spoerl LC III 7c
Staff Engineer [Stabsingenieur] Koch
Dr. Neukirch, Farben, Bitterfeld

I first thanked the gentlemen for having given us samples of the first production of Bi IV from government stocks and told them about their excellent quality. Koch asked that if possible a few specimens be put aside for his inspection, as he intends to come to Bitterfeld in the middle of January. I promised to let him know about it upon his request. Regarding the new construction, Koch did not go into details. However, he showed great interest in an exposé by us. He is still willing to recommend to the Weapons Testing Division of the Army Ordnance Office (Major Hesse), Tauentzienstrasse 19a, a discussion on the application of our experiences in the new construction of an in-

* E-metal, referred to in the text of this document, refers to electron metal. B El, B o 2 El, B 1 El, and B 4 El are different types of electron metal. Electron metal is an alloy constituted of magnesium and aluminum.

cendiary projectile for artillery, according to the proposals which we intend to make and which I mentioned confidentially. In reply to my remark that such a procedure would only make sense if the Air Ministry released E-metal [Handwritten marginal note: 16,000,000—37] to the Army Ordnance Office, Spoerl said that—also for Case A [in case of war]—500 tons per month for the Army Ordnance Office had now been released. [Handwritten marginal note: 800]

I then touched upon the question of new orders of B 1 El, whereupon Spoerl stated that, after all, the present stockpiling would be sufficient for the beginning [Handwritten marginal note: 4,000,000 per month], also for Case A. It had, theretofore, been decided to order only three million more of B 1 El for 1937. In Case A, the existing capacity for shell filling would be just sufficient if fully used. [Handwritten marginal note: 2,000,000 per month.] As, however, there would be only 600 tons per month left for the Air Ministry after releasing E-metal to the Army Ordnance Office, the construction of another electrolysis in case of war had been discussed, and a construction period of 9 to 12 months had been anticipated. For the meantime, the stockpiling of tubes and rods is intended, for which the arrangements made so far should be sufficient. No definite decision has been taken, however, in this respect. Regarding B o 2 El, authority for orders is still lacking.

[Signed] NEUKIRCH

Bitterfeld, 22 December 1936

2. Report Concerning Visit of 18 January 1937

Strictly confidential

Report on a visit to the RLM [Reich Air Ministry] on 18 January 1937

Subject: B El

Present: Army Architect [Militaerbaumeister] Spoerl, Major Maraun } LC III 7 c
Dr. E. Neukirch ---------- I. G. Bitterfeld

Referring to the conversation of 21 December 1936, the question of stockpiling chemicals for filling K Bi was discussed. I told the gentlemen that our maximum productive capacity (including three shifts on Sundays) was only sufficient for a monthly average of 1.5 million fillings. Should greater quantities of supplies be taken into account, provision for Case A would have to be included in the program, and chemicals would have to be stockpiled during the transition period in the same way as rods and tubes are stockpiled. [Handwritten note: Mainly because of obliga-

tions for deliveries] Spoerl, who welcomed this suggestion very much, informed us that the supply figures which had been given some time ago were not definite. He intended, however, to study the question of stockpiling chemicals, which he had so far not considered.

[Signed] NEUKIRCH

Bitterfeld, 20 January 1937
Dr. Nk/Ke

3. Report of a Visit to the Reich Air Ministry and the Army Ordnance Office Concerning the Development of Incendiary Projectiles Based on Farben's Electron Metal, 26 January 1937

Confidential

Report on the visit to the Reich Air Ministry and the Weapons Testing Division of the Army Ordnance Office on 26 January 1937

Subject: B El

The exposé, "Contributions to the Technical Development of the Modern Electron Thermite Incendiary Bomb," was given to Staff Engineer Koch by way of preliminary confidential information, and he was asked to see whether such a report was of any interest to the Air Ministry.

After this we called on Mr. Gaeng of the Weapons Testing Division, who is the competent expert for artillery ammunition, in order to discuss the possible new development of an incendiary projectile based on electron. Gaeng informed us that such experiments had already been made with a projectile containing one large electronic body filled with thermite which is ejected from the casing. This projectile and the quantity of thermite used in it are, however, protected by secret patents of a third party. The results had not been bad; for instance, moist heath had caught fire from such a projectile. I replied that we, contrary to the above explanation, had thought of combining an artillery incendiary projectile with the mass effect caused by dropping shells from airplanes, as numerous small fires had proved to be effective. Therefore, we were thinking of a projectile from which several E-metal incendiary bodies would be ejected when it hit the target. Gaeng remarked that, in addition to several other difficulties which existed in this case, according to his experience, a sufficient strength of the E-metal would be a prerequisite in order to prevent the E-metal bodies from being torn apart when the shell split. I referred to the firing tests in K'dorf* during which

* K'dorf-Kummersdorf, an artillery firing range near Berlin.

partly armored concrete plates, 80 mm thick, had been pierced without change in the E-metal bodies.

Gaeng believes that some interest exists for such a projectile, although there have not yet been any requests for incendiary artillery ammunition. Koch suggested that B o 2 El, B 1 El, and B 4 El be shown to Gaeng, who did not know them; and he will send, for this purpose, several pieces from Rechlin to the Unterluess Testing Grounds where, from 9 to 12 February, other experiments will take place in the presence of both gentlemen. I asked Gaeng to use our experience gained during the development of B El by allowing us to take part in further experiments. This was supported by Koch. Gaeng anticipated a further discussion.

[Signed] NEUKIRCH

Bitterfeld, 27 January 1937

PARTIAL TRANSLATION OF DOCUMENT NI-9548
PROSECUTION EXHIBIT 683

LETTER AND CERTIFICATE OF THE OFFICE FOR GERMAN RAW MATERIALS AND SYNTHETICS, AUGUST AND DECEMBER 1937, CONCERNING FARBEN'S CONSTRUCTION OF A NICKEL PLANT

Minister President, General Goering,
Plenipotentiary for the Four Year Plan
Office for German Raw Materials and Synthetics
Journal No. 56 734 37—6609—IV/1 Cr/Wa
File Ref.: J I 5bb

[Handwritten] FS III/2, No. 7

Berlin, 19 August 1937
Behrenstrasse 68–70
[Stamp]
Received 24 August 1937
Vermittlungsstelle W
SECRET

[Handwritten] to Director
Dr. Mueller-Cunradi
Dr. Schlecht.
Director Brendel was furnished a copy 7 September 1937

Reference: Your letter of 13 August 1937, Dr. Di [Diekmann] Fr
Subject: Nickel Plant Central Germany
I.G. Farbenindustrie A.G., Vermittlungsstelle W
Berlin NW 7, Unter den Linden 82

In consideration of the interests of military policy, a nickel plant with a minimum capacity of 2,000 tons per year is to be set up in Central Germany. You are therefore requested to plan

the plant at Nachterstedt for a production of 2,000 tons of nickel per year.

By order:

Heil Hitler!
[Signed] PAUL PLEIGER[1]

Copy/He
Minister President, General Goering
Plenipotentiary for the Four Year Plan
Office for German Raw Materials and Synthetics
Journal No. 1591/37 IV/1 H/Sch
[Stamp] Secret

Berlin, 7 December 1937
Behrenstrasse 68–70

CERTIFICATE

This is to certify to the I.G. Farbenindustrie Aktiengesellschaft that the establishment of a plant for the purpose of producing nickel at Nachterstedt was initiated by the Office for German Raw Materials and Synthetics. This is a priority construction project for the Four Year Plan.[2]

By order:

Signed: RHEINLAENDER

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[1] Paul Pleiger was a defendant in Case 11 at Nuernberg. Among other positions, he was chairman of the Vorstand of the Hermann Goering Works.

[2] In an affidavit, Document Haefliger 25, Haefliger Defense Exhibit 16, the defendant Haefliger stated that the request for the construction of this plant by the Reich was prompted "to a large extent by the consideration that the *import* of pure nickel was to be restricted as far as possible so as to save foreign exchange. * * * In 1937, the IG began the construction of the new plant for the production of nickel in Frose-Nachterstedt in Central Germany. But this new plant was not able to operate at all before the war, and towards the end of the war only with a small fraction of its capacity. (*Note.* The IG always regarded this plant as a nuisance which was forced on it, and was convinced that the plant was uneconomic. The Ludwigshafen management, directed by Dr. Mueller-Cunradi, which had been charged with the construction, only made very slow progress with the erection, and constantly pretended that there was some other and more urgent work on hand. This got them into a dangerous position in front of the Speer Ministry in 1944.)"

PARTIAL TRANSLATION OF DOCUMENT NI-7564
PROSECUTION EXHIBIT 724

EXTRACTS FROM THE MINUTES OF A CONFERENCE AT FARBEN'S LUDWIGSHAFEN PLANT, 6 APRIL 1938, CONCERNING MONTHLY REPORTS TO THE INTERNATIONAL NICKEL COMPANY AND THE MOND NICKEL CO. LTD., ON THE AMOUNTS OF NICKEL SOLD TO INDIVIDUAL GERMAN CONSUMERS

6 April 1938

Minutes of the Conference at Ludwigshafen on 5 April 1939

[The distribution list shows copies to 10 Farben officials or offices. Of the defendants only Haefliger is shown as receiving a copy.]

Present:

I.G. Frankfurt/Main	Director Haefliger Director Meyer-Kuester
I.G. Ludwigshafen/Rhine	Director Brendel Dr. Heintzeler
I.G. Oppau	Dr. L. Schlecht

1. *Monthly report to Inco-Mond regarding the quantities of nickel sold to individual German consumers of nickel.*

Although it seems that, for the time being, the Military Economics Staff, on the basis of the discussion with Messrs. Euler and Meyer-Kuester, agrees that information as to the consumption of nickel by individual German purchasers of nickel (Krupp, D.E.W., et cetera) be passed on monthly to Inco-Mond or to Gardner in England, it should be discussed as soon as possible—perhaps on the occasion of the visit of Messrs. White and Hague to Frankfurt/Main on 7 April 1938—that these reports to England should no longer be made in the hitherto detailed form. It should be pointed out that Berlin does not like to see such reports, and that, therefore, the long-range trend will be to import—at the expense of the imports of Inco matte—raw nickel from other sources which do not tie ticklish conditions of a military-economic nature to their delivery. Such a development would, in the long run, also be entirely against the interests of Inco itself. Mr. Meyer-Kuester will also inform Mr. Euler to this effect. Contact with the Military Economics Staff on this question is to be resumed only after the discussion of the subject with Mond.

* * * * * * *

Signed: MUELLER-CUNRADI
Signed: SCHLECHT

PARTIAL TRANSLATION OF DOCUMENT NI-9636
PROSECUTION EXHIBIT 725

EXTRACTS FROM A MEMORANDUM BY DEFENDANT HAEFLIGER, 19 OCTOBER 1939, CONCERNING NICKEL SUPPLIES

Dir. H/Ed Berlin, 19 October 1939
[Handwritten:] Discussed in Berlin on 19 October 1939
[Handwritten:] for Finland trip

MEMORANDUM

Subject: Nickel (Finland)

1. *Policy of the Nickel Trust*

The International Nickel Company (Inco) controls approximately 85 percent of the world's production. Its far-seeing policy aims at preventing the development of serious competition by a stable and low price for metallic nickel. It is based on the idea that it will never be possible to unite the world's nickel resources under one management, that the aim can, however, also be attained by a technological superiority in overcoming the difficulties involved in converting nickel ore into nickel. The Inco, therefore, in principle, supplies only finished products but not ore, and keeps the price of the former so low that enterprises which confine themselves to nickel ore mining, and the production of the crude ore, can constitute no threat to it in normal conditions.

This policy demands that the trust must at all times be in a position to meet fluctuations in demand, no matter how violent, in order to maintain a low price as the general standard. But it demands furthermore that the trust should think along truly international lines and should not permit itself to be guided by political principles in supplying the markets. It is obvious that it must try to prevent this basic attitude from reaching the public. Its attitude was typical when, for instance, this spring, questions were asked in Ottawa, as well as in the British Houses of Parliament, with the purpose of at least limiting export to Germany. Even at that critical time the trust succeeded (behind the scenes) in foiling and frustrating such intentions by giving misleading information. Deliveries to Germany were continued strictly in accordance with the obligations undertaken.

2. *Collaboration between the trust and IG*

When, in 1933, the nickel production process using nickel carbonyl, developed by IG, made its appearance, the trust found itself in a predicament. By means of the IG process, metallic nickel can be economically produced from sulfidic niccolite ore, and that in the novel form of an extremely pure and fine powder which promises new technical uses. This new process was bound

to appear even more dangerous to the trust when Germany began to develop economic forms against which no countermeasures could be taken by the usual method of competition, at least not in Germany itself. In this case, the far-seeing policy of the trust did not offer any positive guarantee of success, the more so since the trust realized that IG, being a major firm, was perfectly capable of procuring nickel resources independently of the trust.

It should, perhaps, be pointed out in this connection that it is by no means misleading to assume that it might have been that very threat which induced the trust, among other considerations, to acquire at any price the large deposit at Petsamo, thus securing an important foothold in Europe, seeing that it conducted simultaneous negotiations with IG and the Finnish Government.

And when IG proceeded to look for nickel deposits in Canada and elsewhere, the trust saw fit to enter into negotiations with IG and to carry them to an early conclusion.

This 8-year contract, which was concluded in 1934, has had very favorable effects upon the German economy. It was the first time that the trust had been compelled to break with the principle of supplying metallic nickel only, and to put sufficient quantities of Canadian nickel matte at the disposal of IG, to meet more than half of the German requirements, while saving 50 percent foreign exchange. Beyond that, IG succeeded in persuading the trust to store a very considerable supply of nickel matte in Germany at its own expense for the benefit of IG.

Up to the last days before the outbreak of war, the attitude of the trust was decidedly loyal. No attempts were made, no steps were taken to eliminate the risk (to the tune of several million marks) involved in storing such quantities.

I have given the events mentioned above merely as an illustration to show that it is obviously the policy of the trust to refrain as much as possible from doing anything which might prejudice future collaboration after the termination of hostilities.

Farben is of the opinion that a similar attitude could, in this case, be assumed by them [Farben] in their own interest as well as in that of German national economy, but they are of course prepared to subordinate their interests to those of the German national economy should the latter demand different measures.

3. *Petsamo*

* * * * * * *

4. *Nivalla*

* * * * * * *

Signed: HAEFLIGER

PARTIAL TRANSLATION OF DOCUMENT NI–7125
PROSECUTION EXHIBIT 231

THREE LETTERS FROM FARBEN'S VERMITTLUNGSSTELLE W TO THREE DIFFERENT REICH AGENCIES, FEBRUARY 1937, SEPTEMBER 1938, AND JULY 1939, CONCERNING PRODUCTION OF IMPORTANT MILITARY PRODUCTS AT FARBEN'S LUDWIGSHAFEN-OPPAU PLANT

1. Letter of Vermittlungsstelle W to the Reich War Ministry, 2 February 1937

CONFIDENTIAL!

Reich War Ministry, Military Economics Staff
Attention: Dr. Mureck
Berlin W 35, Bendlerstrasse 27

Dr. Di./Sch.
2 February 1937

Urea plant

We have forwarded your inquiry concerning a stand-by plant for urea* to our competent office. However, we would like to say briefly now that we think it would be much more economical to stockpile the required amounts in the safety zone than to build an installation for only 5,000 tons of urea per year.

Since the urea factory at Oppau has been partly idle for a long time, the desired securing of the urea supply in case of emergency could be achieved in a far shorter time and at less cost to the national economy by stockpiling rather than by creating a suitable production site.

Heil Hitler!
Vermittlungsstelle W, Sparte I
Signed: DIEKMANN

Copy to Dr. Krauch
Berlin, W 8
[Stamp] Registered

* Urea and the other six products receiving special attention in this exhibit were among some 28 products which the Reich Ministry of Economics classified as "products which are wholly or principally produced in the IG plants Ludwigshafen and Oppau." See Document NI–7121, Prosecution Exhibit 230, reproduced above in subsection H2.

2. Extracts from Two Letters from Vermittlungsstelle W to the Control Office Chemistry, 1 September 1938

Control Office Chemistry — SECRET
Attention: Dr. Ungewitter — 1 September 1938
Berlin W 35, Sigismundstrasse 5 — 24 August 1938
Dr. E/Wo — Dr. Di/Sch

Oppau Urea Depot

With reference to your letter of 24 August 1938, we enclose the following appendices:

1. Copy of our letter of 7 February 1938 to the Military Economics Staff of the Reich War Ministry, Regierungsrat Dr. Mureck.

2. Photostatic copy of letter dated 9 February 1938 from our Oppau plant to the Nitrogen Syndicate.

3. Photostatic copy of the letter of 9 August 1938 addressed to us by R. Hanser.

We further inform you that, at our suggestion, the Nitrogen Syndicate, to safeguard the urea supply, is at present stockpiling large quantities of urea with the main consumers as well as in IG depots. The size of the stockpiles should ensure sufficient supplies for the technical requirements for 6–10 months. The action should be finished by the end of next week.

We have effected a similar stockpiling to secure the requirements of salammoniac and salt of hartshorn, which nitrogen products are also produced almost exclusively at Oppau.

The urea factory in Oppau has a production capacity of 35,000 tons of nitrogen per year. Since present requirements amount to about 4,000 tons per year for technical purposes, and about 4,000 tons per year for fertilizers, altogether 8,000 tons of nitrogen per year, the urea factory in Oppau is only operating with a small part of its facilities, or fully operating only periodically for a few months. The following are the main purchasers of urea for technical purposes:*

* * * * * * *

As a result of the above-mentioned intermittent production, the size of urea stockpiles varies very considerably. At present, about 1,000 tons of urea are available at the Oppau depot. Average current production amounts to 60 tons per day. About 200 tons per day can be stored or transferred elsewhere.

Heil Hitler!
Vermittlungsstelle W

Registered — Signed: DIEKMANN

* Hereafter the consumers are listed, with the individual consumption in each case, under three headings: Nitrogen Syndicate customers; firms affiliated with Farben; and Farben's own consumption.

Copy to:
Regierungsrat Dr. Mureck
Military Economics Staff of the Armed Forces High Command
Oberregierungsrat Dr. Lenz
Reich Ministry of Economics

3. Extracts from a letter from Vermittlungsstelle W to the Reich Ministry of Economics, 5 July 1939

I.G. Farbenindustrie Aktiengesellschaft — SECRET
Vermittlungsstelle W — 5 July 1939

[Stamp]
Secret
5 July 1939
[Stamp]
Military Economics Staff
7 July 1939
No. 2955/39 secret
1 enclosure
Dr. Di./Sch.

Reich Ministry of Economics
Attention: Ministerialdirigent Mulert
Berlin, W 8, Behrenstrasse 43

Removal of important military products from Ludwigshafen and Oppau

Having talked the matter over with the specialists of our plants, we give you the following information concerning the various Oppau products which were discussed from a military view at our conference on 22 June 1939 at the Reich Ministry of Economics:

1. *Urea.* The urea factory at Oppau is idle at present for lack of a market, but can start operating at any time. Urea requirements for fodder are estimated at 4,000–5,000 tons of nitrogen for the current year, and urea requirements for technical purposes are estimated at 3,000–4,000 tons of nitrogen per year, while the urea requirement for fertilizing purposes need not be taken into account, since urea can be substituted by other nitrogen fertilizers without disadvantage.

For an estimate of the military importance of urea for technical purposes, we refer you to our letter of 1 September 1938 to the Control Office Chemistry (Appendix 1)*, copies of which were sent to Oberregierungsrat Dr. Lenz and Regierungsrat Dr. Mureck, and which contains a list of the 15 or 20 most important consumers, subdivided into firms or plants, and the purposes for which the product is used.

* Extracts from this letter appear immediately above.

About 4,000 tons of nitrogen of the urea supply of the last production period at present being stocked at Oppau can be made available immediately for fodder and for technical purposes. If additional quantities are stocked, the following amounts would be available in accordance with the Oppau production schedule: by December 1939, a further 1,500 tons nitrogen; by March 1940, a further 1,500 tons nitrogen; by June 1940, a further 3,000 tons nitrogen.

IG is not planning the construction of another urea plant because the production facilities at Oppau are not utilized to the full. Concerning the construction of a stand-by plant, we refer you to our letters to the Reich War Ministry of 2 February 1937 and 7 February 1938 (Appendices 2 and 3).[1]

In case of emergency, the best way of starting production of urea would be by transferring certain machines and apparatus from Oppau to Merseburg, and putting them to use there for the local nitrogen and carbonic acid production.

The urea supply stocked at Gerthe, Doeberitz, Hamburg, etc., a year ago, has been almost completely used up. Because of the expected scarcity of nitrogen, a urea stockpiling of 5,000–10,000 tons of nitrogen per year, which would have to be withdrawn from current consumption, should be discussed with the Reich Food Agricultural Estate [Reichsnaehrstand].[2]

* * * * * * *

We request your opinion as soon as possible as to which of the methods for securing the above-mentioned products for military use should be followed in our Oppau plant. Our inquiries about storage possibilities have shown that one would probably be able to manage without building additional depots, as several depots in Central Germany as well as our own idle Gerthe plant, can accommodate additional large quantities. Since the loading and transporting of the products to be stored, mentioned during the discussion of 22 June 1939, would take several months, it is very urgent that decisions concerning stockpiling are made soon.

For the actual stockpiling, we assume—with reference to the transfer undertaken with WIFO last year—that the *extra* expenses resulting from the transfer to, or storage at, a site which is suitable from the military point of view but disadvantageously situated as to storage and transportation will be refunded to us. The goods themselves remain the property of IG and are at its disposal. Should large funds of IG have to be tied up by the demand for a regular maintenance of the stocks by replenishing

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[1] Not reproduced herein.

[2] Here follow six separate sections which discuss similarly six other products: Kaurit glue, sal ammoniac-ammonium chloride, ammonium carbonate (salt of hartshorn), brown oxide contacts, ferric carbonyl, and Oppanol.

them from current production in case of deliveries to consumers —for instance, should the suggested urea stockpiling of 10,000 tons of nitrogen require about 6,000,000 reichsmarks—a compensation would have to be made for impairing the liquid assets of IG, and interest paid on this capital.

For the moment, we have tried to answer those questions with regard to Oppau products which were not adequately clarified at the discussion mentioned. For the Ludwigshafen products to be considered, we shall submit the relevant data as soon as possible. If it should be necessary to go further into problems of personnel, materials, finances, and time requirements as a result of the measures which are to be decided by your office, we will be glad to be of assistance.

Heil Hitler!
Vermittlungsstelle W
Signed: DIEKMANN

3 enclosures
copies to
Oberregierungsrat Dr. Mureck, Military Economic Staff
Regierungsrat Dr. Lenz, Reich Ministry of Economics
Management Office, Sparte I, Oppau
Director Dr. Mueller-Cunradi, Oppau
Registered!

TRANSLATION OF DOCUMENT NI-8363
PROSECUTION EXHIBIT 736

LETTER FROM FARBEN'S LIAISON OFFICE WEHRMACHT TO FARBEN'S HOECHST PLANT, 2 NOVEMBER 1938, CONCERNING THE COMPILATION OF LISTS IN CONNECTION WITH THE STOCKPILING OF RAW MATERIALS, PRELIMINARY PRODUCTS, AND FINAL PRODUCTS

I.G. Farbenindustrie Aktiengesellschaft [Stamp]
Vermittlungsstelle W Received: 4 Nov. 1952
Our ref: N/Sch Berlin, NW 7, Unter den Linden 82
[Handwritten] V 382 Secret
Berlin, 2 November 1938

Dr. Hirschel*
I.G. Farbenindustrie A.G.
Frankfurt/Main, Hoechst
Subject: Stockpiling

The Reich Ministry of Economics requested us to submit a list of raw materials and preliminary products on the one hand, and of final products on the other, of which stock reserves cannot be held for 3 weeks, or of which the manufactured items themselves cannot be stored for 3 weeks. This list shall also indicate warehouse and storage facilities available in each individual case.

* Dr. Otto Hirschel was chief of the Welfare Department of Farben's Hoechst plant and mobilization representative for the Hoechst plant.

We therefore request you to complete the attached forms,* and to return one copy of each of them to us as soon as possible. [Handwritten note: Correct!]

For this project you can use the data on which you based your registration for transportation requirements for the first 30 days of mobilization. In the list, please indicate only those raw materials and preliminary or final products which, with the storage facilities then at your disposal, cannot be stored for a period of 3 weeks after 1 January 1939.

We draw your attention to the various regulations which prescribe maintenance of reserve stocks sufficient for 3 to 4 weeks in all cases in which such storage is possible.

Previous experience has shown that the military-economics authorities abstain from enforcing the order to store the prescribed quantity of stocks only in cases where technical reasons prevent such storage, or when storage expenses are so high that IG cannot reasonably be expected to bear them.

Vermittlungsstelle W
[Signed] NEUMANN

Enclosures
[Stamp] Registered

PARTIAL TRANSLATION OF DOCUMENT NI-8367
PROSECUTION EXHIBIT 737

MEMORANDUM FROM THE MOBILIZATION REPRESENTATIVE OF FARBEN'S HOECHST PLANT, 5 NOVEMBER 1938, CONCERNING STOCKPILING

5 November 1938 Bo/H

To: Director Dr. Roth
Dr. Hilcken
Dr. Bachran, through Dr. Winnacker Secret
Dr. Stecher, through Dr. Winnacker
Dr. Fehrle

Subject: Stockpiling

Within the framework of our mobilization preparations, we have to furnish the Reich Ministry of Economics with a list of those raw materials and preliminary products on the one hand, and those manufactured products on the other hand, of which it is not possible to store a 3-weeks' supply or an output of 3 weeks.

We have already received some of the data required from various departments. These are not sufficient to satisfy the requirements of the Reich Ministry of Economics. We are therefore

* The forms were not included in this exhibit.

enclosing a questionnaire[1] and request you to compile the necessary information for us as soon as possible.

We would particularly point out that any warehouse expansions which are planned up to 1 April 1939 must also be taken into account. The Military-Economics authorities require in principle that stockpiling for 3–4 weeks, both for raw materials and preliminary products as well as for manufactured goods, should be arranged. According to our experience, they will only grant exemption from this requirement when its execution is not possible for technical reasons or if the stockpiling would involve expenditures which could not reasonably be demanded from the IG. Should you, therefore, in one or the other case, not be able to comply with this demand of the military authorities, please give the reason under the heading "Remarks," against the product or raw material concerned.

We are herewith sending you once again your mobilization instructions which you will kindly return to us together with the completed questionnaire.

Enclosures

Management Department T
[Signed] HIRSCHEL

TRANSLATION OF DOCUMENT NI-8368
PROSECUTION EXHIBIT 743

LETTER FROM THE NITROGEN DEPARTMENT OF FARBEN'S HOECHST PLANT TO THE MOBILIZATION REPRESENTATIVE AT THE HOECHST PLANT, 10 NOVEMBER 1938, CONCERNING STOCKPILING

I.G. Hoechst
Nitrogen Department
To IG,
Dr. Hirschel

Our ref: E mr/I
Your ref: Bo/H
Your letter 5 Nov. 1938.

10 November 1938

Subject: Stockpiling

Attached hereto we return the forms[2] sent to us, duly filled out. As may be seen from the entries, we cannot store the ammonia requirements and the production of concentrated nitric acid for 3 weeks. To store the quantities of ammonia and concentrated nitric acid in question, a considerable enlargement of the present storage space would be necessary, which would, in the case of ammonia, require an expenditure of 500,000 marks, and in the case of nitric acid, an expenditure of 700,000 marks.

[1] The questionnaire is not reproduced herein.
[2] The forms were not included as part of the exhibit.

At the same time, we would point out that on the form "Raw Material Requirements" we have also added 300 tons per month of marble white hydrate of lime.

[Handwritten note: for soda saltpeter]

Nitrogen Department
[Signed] STECHER

PARTIAL TRANSLATION OF DOCUMENT NI-8366
PROSECUTION EXHIBIT 739

LETTER FROM FARBEN'S HOECHST PLANT TO VERMITTLUNGSSTELLE W, 25 NOVEMBER 1938, FORWARDING INFORMATION OF STOCKPILING

Secret

I.G. Berlin NW 7

Vermittlungsstelle W, 2 Nov. Bo/H
N/Sch 25 November 1938

Stockpiling

We return herewith one copy, duly filled out, of the forms sent to us, concerning those raw materials, preliminary products, and finished products of which we cannot build up stocks amounting to 3 weeks' supply or store 3 weeks' output.

Department of the Directorate
Signed: BORMANN

2 Enclosures*
[Stamp] Registered

* Enclosure 1 gives "Data on Raw Materials and Preliminary Products which Are Not Stored for 3 Weeks." The second enclosure gives "Data on Finished Products which Cannot Be Stored for 3 Weeks." These enclosures were a part of the exhibit as introduced, but they are not reproduced herein.

PARTIAL TRANSLATION OF DOCUMENT NI-7211
PROSECUTION EXHIBIT 740

LETTER OF THE CHAMBER OF INDUSTRY AND COMMERCE, FRANKFURT, TO FARBEN'S HOECHST PLANT, 1 FEBRUARY 1939, CONCERNING COAL RESERVES

Chamber of Industry and Commerce for the
Rhine-Main Industrial Region
Frankfurt/Main

Frankfurt/Main
Post Office Box No. 219

Registered
Secret

I.G. Farbenindustrie A.G., Hoechst Plant
Attention: Dr. Otto Hirschel
Frankfurt, Hoechst, Brueningstrasse 60

Replies to be sent to:
Chamber of Industry and Commerce, for the Rhine-Maine Industrial Region
Attention of Dr. H. Savelkouls or deputy
Frankfurt/Main, Stock Exchange

Our ref: I H k/ H 3/258/39 secret/I/c

1 February 1939

Circular Letter 4/39 secret V.P.

Subject: Stockpiling of Coal

We refer to our inquiry of the 10th of last month regarding coal reserves, which you answered by filling in the questionnaires sent to you. We conclude from your statement that your plant does not hold the necessary stock which it should have; that is, a quantity which would cover the average coal consumption of 3 months. The events of the last few months have, however, shown how important sufficient coal reserve is for a large plant. Blocking of the waterways and overburdening of the railroads may prevent delivery for a number of weeks at any time. For this period, the continuation of production must be guaranteed by the coal reserves.

* * * * * * *

We request you to let us know by 15 February 1939 whether and in which way you will carry out the stockpiling of a 3-months supply of coal.

By order

[Signed] W. LINNENKOHL

PARTIAL TRANSLATION OF DOCUMENT NI–6728
PROSECUTION EXHIBIT 750

EXTRACTS FROM THE MINUTES OF A FARBEN CONFERENCE, 13 FEBRUARY 1939, CONCERNING THE PROBLEM OF STORING MOBILIZATION DYESTUFFS

[Handwritten] for Dir. Dr. Jacobi, Mainkur

[Stamp]
Hoechst Management Dept.
5 February 1939–8–9
No. 117

Minutes of the "Monday Meeting," 13 February 1939, in the office of the Technical Committee, Frankfurt

Persons present: Struss, Hirschel, Hagge, Gorr, Dobmaier, von Nagel, Eisfeld, Krolikowski, Loehr, Giesler, Koenig, Schnell

* * * * * * *

Krolikowski brought up the problem of storage of M [mobilization] dyestuffs. As a result of the discussion it was decided that the storage was to take place in accordance with the rules laid down by Vermittlungsstelle W, whenever a supply of M dyestuffs is required; other ways and means, however, were to be sought in instances where the present turnover was far below M requirements, thus possibly causing storage difficulties. Beyond that, storage is to take place according to the turnover.

[Handwritten note]: Be.

* * * * * * *

[Signed:] SCHNELL

Office of the Technical Committee A
14 February 1939 Dr. Schn/Z

PARTIAL TRANSLATION OR COPY OF DOCUMENT NI-4922[1]
PROSECUTION EXHIBIT 732

CORRESPONDENCE AND FARBEN MEMORANDUMS CONCERNING THE PROCUREMENT OF 500 TONS OF TETRAETHYL LEAD, JULY 1938 TO SEPTEMBER 1939

1. Letter from Farben Vorstand Member Mueller-Cunradi to the Reich Air Ministry, 8 July 1938

Registered Letter

Ludwigshafen (Rhine) 8 July 1938

Dr. Mueller-Cunradi

Reich Air Ministry, LC III (5)

Berlin W 8, Leipzigerstrasse 7

With reference to the repeated discussions which the undersigned has had with Colonel Bloch and Air Force Colonel (Engineer) [Fliegeroberstabsingenieur] Heydenreich, I am able to inform you that it has been possible to settle the affair of storing 500 tons of tetraethyl lead in Germany. The Ethyl Export Corporation is ready to loan 500 tons of tetraethyl lead to the Ethyl G.m.b.H.[2], that is, against return of the goods. The first delivery, amounting to 200 tons is to be effected in August; then in September, 200 tons, and in October, 100 tons. A direct payment in foreign currency is not necessary; it is sufficient if the guarantee of a London bank for the amount required in each case is procured. I have requested Assessor Duden of the I. G. Farbenindustrie Aktiengesellschaft, Ludwigshafen/Rhine, to settle this question of financing. In case the RLM [Reich Air Ministry] should want to do this in another way—perhaps by bringing in the Reichsbank—I beg you to inform Assessor Duden of it. Ethyl G.m.b.H. bears all cost of freight, insurance, et cetera, for the Ethyl Export Corporation, and in addition to this, pays interest on the borrowed quantities at the interest rate of the Bank of England, at present 2 percent per annum. In addition, the Ethyl G.m.b.H. will bear all charges which arise through the return of the goods. Through this, certain foreign exchange demands will ensue, which will, however, be decreased by the fact that it is planned to use German ships for transport.

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[1] Some of the correspondence in this document (really a series of documents) was in German and some in English. Hence parts of the document reproduced here are copied and parts of it are translated.

[2] Farben had a 50 percent financial interest in Ethyl G.m.b.H. This was stated in a Farben file memorandum of 9 August 1938, which was part of the correspondence contained in this exhibit, but which is not reproduced herein.

The Ethyl Export Corporation has asked me the following further questions:

At what date does Ethyl G.m.b.H. need the goods; to which I answered that, for us, the earliest date possible would be desirable.

The subject of the second question was when the goods can be returned. I answered that at present I could not tell, but that I supposed that the return could be effected at the end of 1939. This is not a definite date. I intentionally did not indicate a later date, however, in order not to make the affair more difficult. Besides, we may suppose that by that time all difficulties will have been overcome through the start of operations in the second plant.

I considered it right to complete the affair with the Ethyl Export Corporation today because I presume that, although some points may still have to be settled, the Reich Air Ministry wants an immediate decision.

Now the technical question of storing the 500 tons has still to be settled. The goods become the property of the Ethyl G.m.b.H. which must therefore shoulder the responsibility for the correct storage of the product. As the Gapel plant, which is being considered, has no facilities for storing such large quantities, other storage places must be arranged, for instance fuel storage depots might be considered. If the Reich Air Ministry should want to have a say concerning the site of the depots, I beg that consideration should be given as to whether the Reich Air Ministry will itself enter into the picture, which would, perhaps, not be quite appropriate because, until now, we have treated the whole affair merely from a standpoint of private enterprise in the business interests of Ethyl G.m.b.H. Towards our foreign partners, we maintained the view that the addition of tetraethyl lead to automobile gasoline depends on a sufficient stock of tetraethyl lead in Germany. At any rate, Mr. R. Morgenthaler of Ethyl G.m.b.H., Berlin NW 7, Unter Den Linden 24, is available for the discussion of all questions of storage, and is also already informed that he will have to take all the steps needed to promote this transaction.

Various expenses for Ethyl G.m.b.H. will result from this matter. However, it seems inexpedient to me to arrange already today in what way these expenses will be paid back to Ethyl G.m.b.H. The reason for this is that we have carried on the negotiations with the foreign partners from quite a different point of view, as mentioned above. For that reason it seems expedient to me to postpone this matter for the time being.

Heil Hitler!

Signed: MUELLER-CUNRADI

2. Memorandum of Dr. Henze of Farben's Central Finance Department, 14 July 1938[1]

Our ref: Berlin NW 7, Unter den Linden 78

Dept. Finance Secretariat/3631/H 2/R 14 July 1938

Subject: Ethyl Export Corporation

The Reich Air Ministry wishes to store 500 tons of tetraethyl lead in Germany until such time as the plant which is to be built in Germany is able to meet the demand. Tetraethyl lead is added to aviation fuel in order to increase the efficiency of the engine.

At the request of the Reich Air Ministry, Ludwigshafen started negotiations with the Ethyl Export Corporation [Marginal note: Ethyl Gasoline Corporation] with the result that this company is willing to lend Ethyl G.m.b.H. 500 tons of tetraethyl lead. [Marginal note: 50 percent Standard; 60 percent du Pont.] The borrowed amount is to be returned by the end of 1939. We based our request to the Ethyl Export Corporation on the fact that the addition of tetraethyl lead to automobile gasoline depends on a sufficient reserve of tetraethyl lead in Germany.

The Ethyl Export Corporations asks from us:

1. The guarantee by an English bank for the value of the merchandise, amounting to $900,000.

2. Interest for this amount at the same rate as that of the Bank of England, which is 2 percent at the present time.

3. Payment of freight and all other expenses for transport both ways.

Mr. Duden asks us to find out if we are able to get such a guarantee from an English or American bank. The necessary foreign exchange permit can easily be obtained, if necessary, with the help of the Reich Air Ministry.

[Signed] HENZE

3. Letter of the Ethyl Export Corporation to Farben's Mueller-Cunradi, 26 August 1938

Confidential London, 26 August 1938

Dr. Mueller-Cunradi

I.G. Farbenindustrie A. G.

Ludwigshafen am Rhein, Germany

Dear Mr. Mueller-Cunradi,

This is to advise you that we have received from Ed. Greutert & Cie.[2] a letter of guarantee covering 200 tons of T.E.L. [tetraethyl lead] to be delivered on loan to Ethyl G.m.b.H.

[1] Dr. Helmut Henze was counsel for defendant Kugler in the Farben trial. An affidavit which he executed before being retained as defense counsel (Document NI-4831, Prosecution Exhibit 733) is not reproduced herein.

[2] A banking firm located in Basel, Switzerland.

We have therefore cabled our New York office, requesting them to arrange to forward 1,000 drums of I-T aviation fluid on the first available German steamer sailing for the port of Hamburg.

We will advise you shipping details as soon as these are available.

Sincerely yours

Signed: RAY BEVAN

4. File memorandum of Farben's Central Finance Department, 12 June 1939

Our ref: Berlin NW 7, Unter den Linden 82

Dept. Finance Secretariat/3631/H 2/R 12 June 1939

Subject: Import of Tetraethyl Lead

Greutert has furnished the guarantee for the return of the imported tetraethyl lead to the Ethyl Export Corporation. We have deposited 1 million dollars with Greutert, thus guaranteeing the surety. This sum is deposited in 4 instalments with 4 American banks.

Dr. Sturzenegger* brought up the question whether war risks are therewith eliminated. He proposed that both Greutert and Ethyl Gasoline Corporation should be entitled to dispose of the respective accounts.

This proposal gives rise to concern, in as far as it must be noted that two different people would have the right to dispose of one account. This would lead to the conclusion that it must be an account tied to a certain purpose. If the Ethyl Gasoline Corporation is questioned in regard to this, the connections will no doubt become clear. Moreover, we would be at the mercy of the Ethyl Gasoline Corporation at the time the tetraethyl lead is returned and when the release of the deposit will be made after we are no longer in possession of the merchandise.

It has to be examined whether Dr. Sturzenegger's doubts cannot be eliminated through a transfer of the money by Greutert to other banks in order to avoid discovery of the connections. If necessary, one could consider whether Greutert should transfer the money to the account of another Swiss bank—possibly by way of a third bank—without mentioning names connected with the account. A claim by Greutert against this bank amounting to 1 million dollars could be based on this action.

If this is not sufficient, it would have to be considered whether Greutert should transfer the 1 million dollars to an account in Holland or Switzerland. The permission of the foreign exchange officials would be necessary for such an action. The risks of

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* Dr. Hans Sturzenegger was the sole owner of Greutert.

foreign exchange fluctuations would, of course, have to be assumed by us.

These possibilities seem to represent a safer solution than Dr. Sturzenegger's proposal.

[Signed] H [HENZE]

5. Letter from Farben's Central Finance Department to the Control Office Chemistry, Berlin, 3 August 1939

I.G. Farben, Central Finance Department
Berlin, NW 7

Finance Secretariat/3631; v. Bue/R 2264

To: Control Office Chemistry
Gross Admiral Prinz Heinrich Strasse 6, Berlin

Attention: Mr. Buenger

Zi/Bay-Zi/Schn 23, 31 Aug. 1938

Import of tetraethyl lead

In your letters of 23 and 31 August 1938, you granted us permission to obtain a total of 1 million U.S.A. dollars with the understanding that this money was to be deposited with the banking firm Ed. Greutert & Cie. as a basis for a bank guarantee. At that time Greutert gave the guarantee and deposited the money with American banks. The deposit in America was necessary because Greutert can only have a U.S. dollar account in the United States.

Greutert is of the opinion that in case of a war between Germany and the U.S.A., the money deposited by him in connection with the tetraethyl lead deal would be in danger of confiscation. This is based on the fact that with special regard to the known and close connections between us and Greutert, in case of war the accounts kept by Greutert in the countries involved will undergo a particularly careful examination. For this reason, Greutert proposes in our interest to dissolve the American accounts and transfer the 1 million dollars to Switzerland. In such case, an exchange into Swiss Francs has to be made.

Since the amount of foreign currency will not suffer through such an exchange, we ask you to grant us permission to agree to the planned transaction proposed by Greutert.

In view of the foreign political tension, we would be grateful for an early decision.

Heil Hitler!

I.G. Farbenindustrie Aktiengesellschaft
Signed: SCHERER Signed: v. MEISTER

6. Letter from Ed. Greutert & Cie., Basel, of 16 September 1939, to Farben's Central Finance Department

[Stamp] I. G. Berlin NW 7
Central Finance Dept.
Rec'd: 18/9/39, No. 165, Folder No. 3631

Ed. Greutert & Cie.
Cables: Grutederus
St/D

Basel, 2, 16 September 1939

To: I.G. Farben, Central Finance Department
Berlin N W7

Subject: Collateral security in favor of Ethyl Export Corporation and/or Ethyl Gasoline Corporation, New York

With reference to your letter of 6 September as well as to the discussions on this affair which were carried on personally and by telephone with Mr. Henze and [Attorney] Gierlichs,[1] we ask you to take notice that in the meantime we have applied by cable to the Ethyl Gasoline Corporation, New York, with a winding-up proposal in accordance with your suggestion.

We shall contact you again after the receipt of a reply, and remain

Yours very respectfully
[Signed] ED. GREUTERT & CIE

7. Letter from the Ethyl Gasoline Corporation to Brown Brothers Harriman and Co., 21 September 1939

Ethyl Gasoline Corporation

New York, 21 September 1939

Brown Brothers Harriman & Co.
New York, N.Y.

Gentlemen:

We hereby confirm that on receipt of the amount of $835,200 plus $5,011.20 for accrued interest, all obligations of the party who received approximately 500 tons of fluid, as well as of Ed. Greutert & Cie., Basel, and the other guarantors,[2] are fulfilled, and that all parties involved in this transaction are released from all liability in connection with it.

Very truly yours,
GRAHAM EDGARD (?)
Vice President
[Signature illegible]
Assistant Treasurer

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[1] Hanns Gierlichs was associate defense counsel for the defendant Schmitz in the Farben trial.

[2] Farben guaranteed to fulfill any defaults of Ethyl G.m.b.H. by a contract of 23 August 1938 between the Ethyl Export Corporation, Ethyl G.m.b.H., and Farben. This contract, also a part of Document NI-4922, Prosecution Exhibit 732, is not reproduced herein.

3. AFFIDAVIT OF PROSECUTION WITNESS WAGNER ON STOCKPILING

TRANSLATION OF DOCUMENT NI-8979
PROSECUTION EXHIBIT 734

AFFIDAVIT OF DR. HANS WAGNER, 16 JUNE 1947[1]

I, Dr. Hans Wagner, born 9 July 1903 in Frankfurt/Main, chemist of the I.G. Farbenindustrie A.G. from 1928–1945, member of the Vermittlungsstelle W, Berlin NW 7, at present residing in Stierstadt am Taunus, Untergasse 10, having been warned that I render myself liable to punishment for any false statement, hereby declare voluntarily, under oath and without coercion as follows:

1. In 1928 I entered the Hoechst Works as research chemist and remained there until the middle of February 1938, when I was transferred to Vermittlungsstelle W [Liaison Office Wehrmacht] in Berlin. My personnel file, however, was kept from then on in Frankfurt, at the request of Dr. ter Meer. In Vermittlungsstelle W, I took over the work on patent questions, principally for Sparte II, and partially for Sparten I and III; also the development work and deliveries to the Wehrmacht in the province of Sparte II.

2. The bulk of the orders for stockpiling was given first through Dr. Ehmann of Mun 6,[2] then through the Luftwaffe and through the Navy. Orders for stockpiling were issued through the Reich Office [for Economic Development] and the Economic Group Chemistry.

I make the distinction between orders and stockpiling for the following reasons. Under "stockpiling orders" I understand the storing of products, for the supply of which a formal order was issued to the IG, and for which, after delivery, payment was made by the office placing the order.

Under "directives for stockpiling," I understand the establishment of dispersal or intermediate depots, the goods stored therein remaining the property of Farben.

3. The principal products stored were those which were no longer easy to obtain on the open market, or which were war-essential.

Whenever the I.G. Farbenindustrie A.G. undertook stockpiling for the Wehrmacht, the latter at the beginning always required

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[1] Dr. Wagner was not specifically cross-examined by the defense concerning this affidavit. This affidavit (*Pros. Ex. 734*) was introduced on 28 September 1947 (tr. p. 1313). On 8 October 1947, Dr. Wagner was cross-examined by the defense concerning a number of other affidavits he had given to the prosecution (tr. pp. 1797–1814).

[2] Department 6, of Army Ordnance Office, in charge of production of ammunition.

that the I.G. Farbenindustrie A.G. should store these goods themselves and only charge them to the Wehrmacht on demand. The I.G. Farbenindustrie A.G., however, declined to do this, and the final result was as follows:

The goods were first charged to the Wehrmacht and were then stored. I.G. Farbenindustrie event went so far as to send to the Wehrmacht accounts for the storage of these goods in warehouses (rent for storage).

4. I acquired my knowledge of stockpiling orders for I.G. Farbenindustrie through the fact that these orders generally went to Vermittlungsstelle W, and from there were forwarded to the business offices in Frankfurt; further, through the fact that Vermittlungsstelle W then transmitted the detailed offer from Frankfurt to the Wehrmacht office concerned. Besides this, I often knew in Vermittlungsstelle W of the Wehrmacht's instructions for the dispatch of the products to be delivered, frequently because the Wehrmacht often availed itself of the IG teleprinter for transmitting these instructions to the merchants or suppliers.

Through discussions with the other members of Vermittlungsstelle W, I learned in a general way of the directions of the Reich Offices, especially of the Reich Office Chemistry, for the storing of products which remained the property of Farben.

The purely IG storages, particularly in the so-called "dispersal depots," I learned of incidentally through the specialists of the Sales Combine Chemicals, or again, through discussions with colleagues of Sparte I inside Vermittlungsstelle W, or also—as in the case of dyestuffs stocks—in the Monday conferences of the Technical Committee.

5. For the sake of clarity, I should like to divide the stockpiling into three groups, viz.:

1. Stockpiling carried out by I.G. Farbenindustrie A.G. of its own accord.
2. Stockpiling carried out by the I.G. Farbenindustrie A.G. on instruction of the Reich Office [for Economic Development] and Economic Group Chemistry.
3. Stockpiling based on stockpiling orders of the Army, the Luftwaffe, and the Navy.

1. *Stockpiling carried out by the I.G. Farbenindustrie A.G. of its own accord*

a. When I came to Vermittlungsstelle W in February 1938, I learned that there was a dyestuffs warehouse at Luebeck. The stocks of dyestuffs stored there were supposed to represent an

emergency reserve of the most important dyestuffs manufactured by the IG.[1]

b. Shortly before the outbreak of war, large quantities of nickel matte were procured by I.G. Farbenindustrie A.G. from Canada and put into storage.[2]

c. Bleaching clay [Kaolin] and bauxite were stored by I.G. Farbenindustrie A.G. before the outbreak of war in a "buffer depot" [Pufferlager] in Leverkusen.

2. *Stockpiling carried out by I.G. Farbenindustrie A.G. on instructions from the Reich Office and Economic Group Chemistry*

a. Iron pyrites were stored by instructions of the Reich Group Chemistry in 1939 for about 1 year.[3]

b. I.G. Farbenindustrie A.G., shortly before the beginning of the war, or in 1940, built up some reserve stocks of plastics which they could dispose of only with the approval of the Reich Office Chemistry which had ordered the stockpiling. These plastics included, among other things, polystyrene, which was used for the production of varnishes and also for fuse parts in die casting. Polystyrene varnishes are very weather-resistant and, for this reason, were demanded by the Navy and the Luftwaffe. The Navy itself, however, remained for the most part in the background and passed its orders to the varnish firms by way of the Reich Office Chemistry.

c. Stabilizers were, to my knowledge, stockpiled already before the war with the explosives manufacturers, especially with the Dynamit Nobel A.G. I do not know anything about the extent of the stockpiling, as the firm of Dynamit Nobel A.G. did not distinguish in its orders to the I.G. Farbenindustrie A.G. between current requirements and stockpiling.

d. Tetraethyl lead, which belonged to Sparte I, was, as far as I know, bought up by I.G. Farbenindustrie A.G. before the war and stored with the Ethyl G.m.b.H.[4]

e. Aluminum was likewise sold to the Wehrmacht and stored up for them.

3. *Stockpiling based on stockpiling orders of the Army, the Luftwaffe, and the Navy*

a. Chlorine of lime and Losantin, which were intended for use in air-raid protection as poison antidotes, were already ordered by the Army before the war and stored in Army depots.

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[1] See Document NI-6728, Prosecution Exhibit 750, reproduced in part above in subsection I 2.
[2] See Document NI-7564, Prosecution Exhibit 724, reproduced in part above in subsection I 2.
[3] See Document NI-8843, Prosecution Exhibit 749, reproduced in part above in subsection I 2.
[4] See Document NI-4922, Prosecution Exhibit 732, reproduced in part above in subsection I 2.

b. Gas-detection powder, used for detecting chemical warfare agents on the ground, particularly mustard gas, was also delivered to the Army before the war and stored in Army depots.

c. Aniline, at the instigation of the Army, was stored before the war in the Wolfen works to the extent of about 1,000 tons; it was intended primarily as raw material for the manufacture of stabilizers.

d. Stabilizers, which were manufactured in the Uerdingen works chiefly for export and for delivery to explosives firms, were, as from the end of 1938, also manufactured in the Army's own Z-plant[1] in Wolfen. This factory stood on Reich-owned land, about 300 meters distant from the Wolfen dyestuffs factory. We were commissioned to administer this factory and were also responsible for the running of the works. The factory remained, however, the property of the Reich and was only leased to us. Dr. Buergin was the competent member of the Vorstand for this matter.

The products of this factory went for the most part to the explosives firms, which, by orders of the Wehrmacht, stored the goods; and a smaller portion of them was placed in one of the reserve depots erected by the Wehrmacht, which, as far as I know, was in Neuhof near Fulda. During the course of the war, a stock of about 2,000 tons was assembled in this storehouse, which was used up, however, by the end of the war.

Furthermore, I.G. Farben was commissioned to adapt, in Uerdingen, goods originating from two French stabilizer factories (of which Saint-Denis was one), so as to make them conform to the technical requirements for delivery to the German Army. These goods were also delivered to the Army for stockpiling.

e. Diglycol, which was used for the manufacture of antiaircraft gunpowder, was stored in the above-mentioned Army-owned Z-plant in Wolfen, besides the current deliveries to the gunpowder-producing firms of the explosives industry.

f. Triglycol was likewise stored in the Army-owned depot at Wolfen, but this supply was gradually taken over for the manufacture of brake fluid and Kochbad-Fluessigkeit.[2]

g. Smoke-producing acids [Nebelsaeure] were stored in large Navy warehouses in Kiel and Wilhelmshaven. Deliveries took place continuously from 1939 onwards in tank cars.

h. Weapon decontaminating agents, a product developed at the instigation of the Army Ordnance Office for the removal of liquid chemical warfare agents from weapons and other metal imple-

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[1] The code name for a certain part of the Wolfen plant, the construction of which was ordered by Ministerialrat Zahn, chief of the Procurement Division of the Army Ordnance Office.

[2] A fluid used in German field kitchens in double-walled cooking vessels.

ments, were manufactured at the order of the Army in the Wolfen dyestuffs factory and stored in the Army depots. This production was in progress before the war.

i. Red phosphorus was manufactured in the Bitterfeld works and delivered to the explosives firms in the form of a phosphorus-paraffin mixture used for the bottom smoke filler of shells; and these firms, on their part, stockpiled it to a certain extent, in addition to the current production in this article.

j. It was not until 1942 that I knew about the storing of yellow phosphorus. The stockpiling, so far as I knew, began in the Wehrmacht warehouse and was later carried out in Dyhernfurth itself, but the business side of it was always carried out in Frankfurt.

k. Chloroacetophenone (Omegasalz) was delivered to the Army from 1936 to 1942 and stored by them in munition depots.

l. Adamsite (azine) was manufactured from 1939 to the end of 1944 in Uerdingen, delivered to the Army and stored by them.

m. Phosgene was manufactured on the order of the Luftwaffe in the Wolfen Z-plant in considerable quantities from about 1940 and was stored by the Luftwaffe in Muenster in the Lueneburger Heide on their own lands.

n. Oxol mustard gas was manufactured by the firms of Lonal and Orgacid G.m.b.H. from about 1937. It was stored by the Army and partly also by the Luftwaffe.

o. C_6 salt (nitrogen-mustard gas-hydrochloride) was manufactured in Ludwigshafen from about 1939 and delivered to the Army either for storage or for further processing.

I have carefully read through each of the seven (7) pages of this affidavit and signed it with my own hand, have made the necessary corrections in my own handwriting and countersigned them with my initials, and I hereby declare under oath that I have told the absolute truth in this declaration to the best of my knowledge and belief.

[Signed] Dr. Hans Wagner

4. AFFIDAVIT AND TESTIMONY OF PROSECUTION WITNESS STRUSS ON DISPERSAL OF PRODUCTION

COPY OF DOCUMENT NI-8320
PROSECUTION EXHIBIT 235

AFFIDAVIT OF DR. ERNST A. STRUSS, 29 MAY 1947

I, Dr. Ernst Struss, Director of I.G. Farben, Chief of TEA Bureau of IG, secretary of the Technical Committee of the Vors-

tand of IG, manager of Division II (Sparte II) of the Vermittlungsstelle W, and, since 1943, production manager of the entire German dyestuffs industry within the framework of the Economic Group Chemical Industry, after having first been warned that I will be liable to punishment for making a false statement, state herewith under oath, of my own free will and without coercion, the following:

Already in 1933, it was obvious that the German military authorities had decided on concentrating German industry in Central Germany and restricting the building of plants in the frontier districts. No specific order was issued to this effect. However, when the military authorities selected a site it was always situated as far from the frontiers as possible. Moreover, when IG decided to extend an existing plant in the frontier district, IG was refused the necessary building material.

I mention the following examples: When the Luftwaffe gave orders to IG in 1933 and 1934 to build two magnesium plants, the Luftwaffe selected as sites two places in Central Germany, viz., Aken and Stassfurt. When, a few years later, IG intended to extend its plants Ludwigshafen, Hoechst, and Leverkusen, all situated near the German-French frontier, the Reich Office for Economic Development rejected our applications for iron allocation.

Shadow plants* always had to be built in Central Germany, especially for products which were manufactured in places near the frontier. In 1935, by order of the High Command of the Army, IG had to build a stabilizer plant at Wolfen in Central Germany, although the existing IG plant Uerdingen near the Belgian frontier could fully cover Germany's need in stabilizers.

From all that it was clear to the leading IG men at that time that a district of about 80 miles along Germany's western frontier was to be deindustrialized, the obvious reasoning being that French and Belgian guns could shoot that far. I remember having drawn a map at that time showing the western area affected by the building restrictions.

Similar restrictions applied to Germany's eastern frontier.

I have carefully read each of the two pages of this declaration and have signed them personally. I have made the necessary corrections in my own handwriting and initialed them and I declare herewith under oath that I have given the pure truth to the best of my knowledge and conscience.

[Signed] DR. ERNST A. STRUSS

* "Shadow plants" is the term commonly used in England for "stand-by plants."

EXTRACT FROM THE TESTIMONY OF PROSECUTION WITNESS DR. ERNST STRUSS[1]

CROSS-EXAMINATION

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DR. BERNDT (counsel for defendant ter Meer): Dr. Struss, I now come to Document NI–8320, Prosecution Exhibit 235. In this affidavit you state that new constructions by Farben could no longer be carried out in a certain border district, but had to take place in Central Germany; and, as a reason for this, you state the fact that the Belgian and French guns could cover an area of about 120 or 130 kilometers in Germany along the frontier; that was in 1935. Don't you believe that from that fact one might conclude that a defensive war was expected at that time?

WITNESS STRUSS: That is the conclusion which I personally drew from that fact.

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5. TESTIMONY OF PROSECUTION WITNESS ELIAS CONCERNING TETRAETHYL LEAD

EXTRACTS FROM THE TESTIMONY OF PROSECUTION WITNESS NATHANIEL ELIAS[2]

DIRECT EXAMINATION

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MR. DUBOIS: Now at the last session of the Tribunal an exhibit was offered as Document NI–4922, Prosecution Exhibit 732,[3] in book 39, where reference was made to a transaction between Farben and the Ethyl Lead Export Corporation, by which Farben borrowed 500 tons of tetraethyl lead in 1938, for which they later forfeited one million dollars. Approximately how many gallons of high octane gasoline could be produced by adding this material to ordinary gasoline?

WITNESS ELIAS: Well, figuring roughly 300 gallons to the ton, it should be between 15 million and 30 million gallons of high octane gasoline, or in that neighborhood.

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[1] The complete testimony of Dr. Struss as a prosecution witness is recorded in the mimeographed transcript, 9 October and 20 and 21 November 1947, pp. 1849–1927; 4065–4160. He later testified as a defense witness and his testimony is recorded in the mimeographed transcript, 13 April and 5 May 1948, pp. 11294–11338; and 13566–13619. A further extract is reproduced below in subsection M 2c.

[2] Mr. Elias, an American consulting chemist, was an expert witness of the prosecution. He testified on 30 September and 1 October 1947, mimeographed transcript pp. 1342–1462. He was cross-examined by the defendants Buetefisch, Ambros, and ter Meer, as well as by several of the defense counsel.

[3] Reproduced in part in 2 above.

Q. Turning now to book 26, I refer you to document NI–9088, Prosecution Exhibit 524,[1] which appears at page 100 of the English, and 144 of the German. This is a letter of the Reich Air Ministry to the Army Ordnance Office, September 1934. It refers to a memorandum on decisions made with respect to aviation gasoline. On page 4 of this document—the original document—mention is made of the fact that Farben obtained a license for the production of tetraethyl lead, and built a plant for the production. Was Farben the sole producer of tetraethyl lead in Germany?

A. Yes, Farben was the producer of ethylene chloride, which is a necessary raw material in the process. The operation is, technologically, very difficult, because of the toxic property of the tetraethyl lead.

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6. INTERROGATION AND TESTIMONY OF DEFENDANT VON KNIERIEM CONCERNING THE PURCHASE OF FUELS AND AVIATION GASOLINE

a. Interrogation

PARTIAL COPY OF DOCUMENT NI–4690
PROSECUTION EXHIBIT 731

EXTRACTS FROM AN INTERROGATION OF DEFENDANT VON KNIERIEM, 25 AUGUST 1945, CONCERNING THE 20 MILLION DOLLAR PURCHASE OF AVIATION GASOLINE AND FUELS FROM THE UNITED STATES BY FARBEN ON BEHALF OF THE GERMAN GOVERNMENT

Interrogation of von Knieriem by Mr. B. Glaser
3:00 to 4:00 pm, Saturday
25 August 1945

MR. GLASER: What are the facts concerning the 20 million dollar aviation gasoline purchase that was made by IG on behalf of the German Government?

DEFENDANT VON KNIERIEM: I made an explicit statement to this effect to Major Tilley,[2] and he has all that information in detail. The government approached us, asking us to try to procure for them a rather great stock of oil and to try to purchase it from Standard Oil.

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[1] Letter from the Reich Ministry of Aviation to the Army Ordnance Office, 6 September 1934, concerning "Fuel for Aircraft Engines." This document is not reproduced herein.

[2] Major Edmund Tilley was a member of Field Intelligence Agency (Technical) (FIAT) a joint British-American investigation group which worked in Germany after Germany's unconditional surrender.

Q. What year was that in?

A. Well, in that statement which I made here, I cannot fix quite accurately the year. It must have been about 1936 to 1937. The government, at that time through the Reichswirtschaftsministerium [Reich Ministry of Economics], approached Mr. Krauch. Mr. Krauch was going to Ludwigshafen to tell it to us. Then Krauch, Schmitz, myself, and Mr. Fischer* went over to London. The explanation made by the government officials was, as far as I remember, that the government wanted to get Germany independent as far as possible from the oil supplies from abroad, and in fact we were to build up a lot of hydrogenation plants. But these hydrogenation plants took a long time to build, and to bridge over this time, they wanted to have a stock of supplies. Then we approached Standard Oil in London about this question. The amount was about 20 million dollars, but afterwards I think only an amount like 14 or 15 million dollars was expended in the execution of the option concerned. When we approached Standard Oil, they said: "Well, in principle we will agree, but after our general understanding with the Royal Dutch Shell group, we would have to communicate with Sir Henry Deterding." Then the Royal Dutch joined the discussion, and they said that the Anglo-Persian [Anglo-Iranian Oil Co.] which was owned 50 percent by the British Government, should be made a party. Then, in the evening, joint conversations were held between IG and Standard Oil and Royal Dutch and Anglo-Persian. We talked about procuring foreign currencies. My business in this matter was to draw up the contract, and this contract on the face being merely just the selling of oil against cash, was a difficult thing, for the reason that we wanted some specific brands of oil, high-grade brands, and the Standard Oil people said that they could not give us that because their apparatus was not sufficient to produce all this stuff so quickly. They would have to put up new apparatus, but afterwards, when the oil had been delivered, this apparatus would be superfluous, so that the amount of money which had to be paid was not only the market price for that oil, but also an additional amount for a very quick amortization. This was not quite easy to figure out. Now, in which way the transportation was handled, that was the usual way, I believe. We did it in this way: IG handled the business and paid cash, and got the cash back from the government without any profits or losses.

Q. Did IG have that much cash on hand to handle it?

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* Ernst Rudolf Fischer was a director of I. G. Farben until 1939. From then until the end of the war he was the head of the Economic Group Liquid Fuels with the rank of Ministerialdirigent.

A. Certainly not. This cash was procured for us by the government. Nobody could get any currency at that time without the permission of the government. Now, as to the details in which way this was handled, and who made transfer of the money, I couldn't tell you. This is just a routine business with us. Somebody in Germany had to pay this millions of dollars. IG got the foreign currency from the government, and paid these companies.

Q. Did IG tell the parties to the negotiations that it was acting in a representative capacity for the German Reich?

A. We didn't go to Standard Oil and tell them that we asked them to do our government a favor. We didn't tell them that. But you see, something must have leaked out. It is quite unusual for IG to purchase oil to the amount of 20 million dollars. Our business is to make oil by the hydrogenation process, and not to purchase gasoline.

* * * * * * *

Q. How did it happen that when the German Government wanted to buy these products it asked you to do it for them, rather than directly?

A. Well, the German Government was certainly acquainted with our very friendly relations with Standard Oil. As you probably know, we had made a very big deal with Standard Oil. And we had shown this agreement to our government—so that the government knew that we were having very friendly relationships with Standard Oil, and the government probably thought that it would go more smoothly if we did it. Also, there was no one in the government able to do this.

Q. Who in the government approached IG?

A. Well, in my remembrance, President Schacht. He was Minister of Economics at that time—I don't recall the date exactly. At that time he was Minister of Economics, or the above-given years must be wrong.

Q. Whom did Schacht approach in IG?

A. I can tell you from secondhand knowledge only. We heard, to the best of my remembrance, about this from Krauch, that he was approached by the government. He told us that he was approached by von Blomberg, who was Minister for War, and by Schacht, who was then Minister for Economics.

Q. Was Krauch Plenipotentiary for the Synthetic Products Division of the Four Year Plan at that time?

A. Well, I cannot tell you that quite correctly. You should certainly be able to find out the date from the other sections and from Krauch himself. I can't tell you, but in my opinion he was at that time having his domicile in Berlin.

Q. And that would mean that he was probably doing governmental work?

A. Yes. The thing would work in this way, that somebody in Berlin wanted to make this bridge-over, and then probably they approached Krauch and said: "Well, you are in the IG, and you are friendly with Standard Oil, and now would you not try to fix that up for us?"

* * * * * * *

Q. Did Schacht or von Blomberg make this request of Krauch?

A. To the best of my knowledge—I feel pretty sure that he told us that he was approached by them.

Q. Then who was consulted in IG?

A. Schmitz probably. He would have been president then.

Q. Did you participate in any conversation between Krauch and Schmitz on this question?

A. I don't remember a specific conversation, but we surely talked about the question on the trip. They took me with them to draft the contract. Krauch and Schmitz, Mr. Fischer and myself were in on the negotiations. Mr. Fischer, at that time, did the selling questions with regard to oil.

Q. But as far as Krauch was concerned, he went as a representative of IG and not as a representative of the government. Is that correct?

A. Yes, that is correct.

Q. Now, was it customary for IG to perform missions of this type for the government?

A. I don't remember any other cases.

Q. This was a successful venture, was it not, and IG did accomplish what the government requested of them in this case?

A. Yes, I think so.

Q. Did the government ask you to try to do similar things for it later on?

A. I don't remember.

Q. IG obtained no profit on this transaction?

A. No, none.

Q. Was it simply regarded as a patriotic gesture?

A. I should think IG would not take any profit on this.

Q. Didn't IG take profit on other transactions with the government?

A. This was not the usual kind of deal. It is not the business of IG to purchase oil from Standard Oil and to give it to somebody else. That would be a strange situation to take profit from and I don't know whether the question has come up at all.

Q. You didn't consider it a commercial matter at all; only a patriotic duty on your part?

A. I don't remember. I just drafted the agreement and, in drafting the agreement with the oil firms, this question did not come up at all. It was a question of fixing the prices and making provisions for transportation, and then it was a very difficult question. We had an option to take the whole amount or less. But in my opinion, we had some obligation to take some amount. I don't think that we were in a position not to take anything.

Q. Didn't it strike you at the time that this was an out-of-the ordinary transaction?

A. Yes. It was a kind of irregular transaction. But you must look at it in this way: IG, in exploiting the hydrogenation plants, had a certain responsibility in trying to purchase so much gasoline as necessary to meet the demands of Germany, since the plants could not be built so quickly. And so, in picking the IG organization to effect the purchase of oil, it was just the same in effect as if we would have been in a position to build quicker.

Q. You felt obligated to supply the needs of the German Government?

A. Well, all the people thought that our hydrogenation process would make Germany, at least to a certain extent, self-sustaining. It was a moral obligation, but it was part of our business, and we tried to; and now if the plants take a long time, the idea probably was that by this way we could reach the same effect as if we would have been in a position to build quicker.

* * * * * * *

[Extracts from a handwritten addition by von Knieriem to the interrogation]

Upon further questions:

I seem to remember now that the actual contracts on our behalf were formally signed not by IG but by Ammoniakwerk Merseburg G.m.b.H., a 100 percent subsidiary of IG.* I do not remember which persons signed for IG, because the question by whom the actual execution of a contract took place is not considered as being of any importance.

* * * * * * *

This interrogation took place without my having an opportunity to refresh my memory by looking into my files. A long time has gone since the events in question took place, I may therefore have been incorrect as to details. I have read the record of this interrogation and swear that the answers given by me to the

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* The Ammoniakwerk Merseburg G.m.b.H. operated Farben's Leuna plant, Farben's largest single plant.

questions of Mr. Glaser are [true] to the best of my present knowledge.

[Signed]: A. v. KNIERIEM
Member of Board of IG

b. Testimony of Defendant von Kieriem

EXTRACTS FROM THE TESTIMONY OF DEFENDANT VON KNIERIEM[1]

DIRECT EXAMINATION

* * * * * * *

DR. FLAECHSNER (counsel for defendant Buetefisch): Then I can turn to another subject matter. I should like to have you look at Document NI–4690, Prosecution Exhibit 731.[2] You are familiar with the document?

DEFENDANT VON KNIERIEM: Yes.

Q. Mr. von Knieriem, according to this document, you participated in negotiations in London about the purchase of fuels, and also of aviation gasoline. Can you tell me what the proportion of the aviation gasoline was in the entire amount of fuels that was purchased?

A. It is true that I was in London and participated in the negotiations on this contract, but since that time I never saw it again, and I cannot answer your question with any amount of exactitude. However, I can tell you the following: The first question of the interrogation, which record I have before me now, reads as follows: "What are the facts concerning the 20 million dollar aviation gasoline purchase that was made by I.G. on behalf of the German Government?"

I then told of the facts, but I did not mention the following: At that time, we were certainly not concerned only with aviation gasoline, as one might be led to conclude from the question, but at the same time, we were also concerned with motor gasoline, lubricating oil, gas oil, and liquid fuel. In what proportion these products were bought, I do not know any more. I do know, however, that the contract only granted the right to procure these things up to the total value of 20 million dollars, and that it was not exploited to its fullest limit.

I see now, by the way, that this is mentioned in the interrogation. I said that I believed that an amount of only 14 to 15 million dollars was spent, and that is still my opinion now, to the best of my knowledge and recollection.

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[1] Further extracts are reproduced above in subsection IV D, and below in subsections K 3 *b*, L 3 *b*, and M 6 *b*.

[2] Reproduced in part immediately above.

Q. Please tell me who concluded these negotiations on the part of Farben, besides yourself?

A. Krauch, who was in Berlin at the time, one day arrived in Ludwigshafen, and informed us that the Reich Minister of Economics, Schacht, had spoken to him, and had made that request to him. He, Krauch, had then agreed to the request and, as a result, Krauch, Schmitz, myself, and Fischer, went to London.

DR. FLAECHSNER: Thank you. That is sufficient.

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CROSS-EXAMINATION

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MR. AMCHAN: Now, in what year did you negotiate with Standard Oil for the purchase of 20 million dollars' worth of aviation gasoline? What year?

DEFENDANT VON KNIERIEM: According to my recollection, I stated 1937 at the time, and I believe that to be correct. As I already stated this morning, not all of it was aviation gasoline, but only part of it. There was lubricating oil, liquid fuel, etc.

Q. Could you fix the time of that affair in relation to your conference with Colonel Thomas as, which the documents show, October 1935?[1] How soon after your conference with General [sic] Thomas was this affair with Standard Oil—this transaction with Standard Oil—the negotiation for the purchase of aviation gasoline? Could you fix the time in relation to [this conference] —could you say how long after it was?

A. I cannot do that, and I don't think that that had anything at all to do with it.

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MR. AMCHAN: Now did Dr. Schmitz tell you at the time of his conference with Goering in May 1936, when he attended the meeting of the experts for raw materials, about Goering's discussing gasoline and oil, and where Goering said, "With the thorough motorization of the Army and Navy, the whole problem of conducting a war depends on this. All preparations must be made for the A-case [war] so that the supply of the wartime Army is safeguarded"?[2] Did Schmitz tell you of the conversation with Goering in May 1936 at the time?

[1] At this time General Thomas was a colonel and was chief of the Military Economics Staff of the Reich War Ministry. Actually the conference referred to was held on 17 September 1935, and concerned the "leakage of experience and information of a technical nature to countries abroad." See Document NI-14002, Prosecution Exhibit 1868, a memorandum on the conference dictated on 4 October 1935 by the defendant von Knieriem. Prosecution Exhibit 1868 is reproduced below in subsection L 2.

[2] Document NI-5380, Prosecution Exhibit 400, minutes concerning this conference, is reproduced in part under section VII F, "The Four Year Plan."

A. No, not one word. I did not even know that Schmitz was in that committee.

Q. Now it is a fact, is it not, that Dr. Schmitz accompanied you and Dr. Krauch to London to negotiate with Standard with respect to the purchase of this aviation gasoline; is that a fact?

A. Yes, certainly, that is stated in the exhibit of the prosecution—the exact description of the journey taken by Krauch, Schmitz, Fischer and me. To repeat it once more, not only aviation gasoline was involved, but many other matters.

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7. TESTIMONY OF DEFENDANTS KRAUCH, TER MEER, SCHNEIDER, BUERGIN, BUETEFISCH, HAEFLIGER, AND WURSTER

a. Testimony of Defendant Krauch

EXTRACT FROM THE TESTIMONY OF DEFENDANT KRAUCH*

DIRECT EXAMINATION

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DR. BOETTCHER (counsel for defendant Krauch): There is also the matter of your conduct in the planning and setting-up of hydrogenation plants, buna plants, and so forth. From what point of view did you build these plants, and what was the effect of these points of view in the course of the war?

DEFENDANT KRAUCH: The measures taken for the construction and operation of these plants were based on general economic reasons. We wanted to have these plants near a coal supply, near a water supply, and so forth. We wanted to have plants with as great a capacity as possible, so as to keep the costs as low as possible. No consideration was given to any protective measures. The most important plants were concentrated at certain points, such as refrigerating plants, gasometers, compressors; and war considerations were completely ignored. If we had wanted to build these plants for a war, they would have been built in quite a different way, and they would have been strongly protected against the enemy.

Q. Were reproaches made to you for this reason during the course of the war?

A. Yes; right at the beginning of the war. I shall mention a few examples. In the West we had built a plant for brown coal, near Wesseling; that is near Cologne. The plant was being built and was to go into operation soon. Upon the outbreak of war

* Further extracts are reproduced above in subsections C 5*a*, F 3, G 7*a*, H 4*a*, and below in subsections L 3*a*, N 5*b* and in section IX F 1, volume VIII, this series.

further construction of this plant was halted. An expansion plan for Hibernia in the Ruhr was also canceled. There were some very unpleasant arguments with the firms concerned, who had given out their orders and had made part payment, and were suddenly faced with the fact that the construction of the plant had been stopped.

I shall mention a third case; that was the Blechhammer plant. The preparations for the construction of the plant were finished, and construction was to begin in September 1939. The OKW suggested that this construction be made on a war basis; that is to say, important changes had to be made in spite of the urgency of the mineral oil program, thus delaying the beginning of the construction by 6 months.

Of course, plants built for war purposes were much more expensive, as plants built for peacetime purposes.

Q. Now, will you very briefly go into the reproaches which were made to you on your sole meeting with Hitler, from this point of view?

A. In May 1944 I stood before Hitler for the first time at a conference on the Obersalzberg. A number of people—I believe there were 35 or 40—were present at this conference. In the preceding weeks, severe attacks by English and American forces had been made on the mineral oil plants. The discussion began with an attack by Goering upon me personally. He said it was entirely my fault that this difficult situation had arisen. He said that in building these plants I had been guided by purely commercial reasons and not by war considerations. And he went on in the same vein. After the discussion was terminated, there was another discussion between Hitler and Goering and myself, and Goering repeated his charges before Hitler. I answered Goering by saying: "Yes, they were built for commercial reasons. The duty that I had at the time was to create work for our unemployed in the shortest possible time, and therefore I was interested only in building plants on a purely commercial basis. Your charge is quite true, but the motives which I had are obvious."

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b. Testimony of Defendant Schneider

EXTRACTS FROM THE TESTIMONY OF DEFENDANT SCHNEIDER[1]

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DR. HELLMUTH DIX (counsel for defendant Schneider): Now we come to the problem of stockpiling war materials. * * * Then the indictment speaks of the stockpiling of urea and other products of Sparte I.

DEFENDANT SCHNEIDER: This stockpiling of urea and other products of Sparte I goes back to the letter of the Reich Ministry of Economics of 5 July 1939, in which, because of the unfavorable position of the Ludwigshafen and Oppau plants from the point of view of defense, the transfer of important products was demanded. The production of products which could not be transferred on short notice was to be increased and stocks were to be accumulated in plants which were not fully used. To these products belonged carbonyl iron, ammonium chloride, carbon, nickel, carbonate of ammonia and carbonyl, and above all urea.

In Prosecution Exhibit 231, that is NI–7125, in book 8, English page 126 there is contained a list[2] which shows what the uses of urea were. That is on page 178 in the German text, in book 8. One can see from this that it was of indirect importance during war, like all other industrial products, but that there is not a single use listed which is only a military use. If one adds up all the various uses, one gets an annual consumption of 5,425 tons, of which 4,110 tons were for the production of molded plastics, cellophane, Kaurit glue, Plastopal; and of the remainder there is also nothing that is of any direct significance whatever for war.

In February 1937, the Reich Ministry of War asked Farben to set up a stand-by plant for urea, since the only production plant for this product was at Oppau. Because of the small amount of work at Oppau, stockpiling was suggested by Farben, which can be seen from Prosecution Exhibit 231. A year later this was again discussed with the Reich Ministry of War. This can be seen from page 180, in the same exhibit. And a year later it was taken up more energetically again by the Reich Ministry of Economics—that was 2 months before the outbreak of war. It is quite difficult from this delaying action of Farben to see in this evidence of preparation for a war of aggression.

Q. I have only one more question, Dr. Schneider. You mentioned a letter in the beginning. What exhibit is that?

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[1] Further extracts are reproduced above in subsections C 5*c*, D 4*c*; and in section IX F 3, volume VIII, this series.

[2] Prosecution Exhibit 231 is reproduced in part in 2 above, but the mentioned list is not reproduced.

A. That is all the same exhibit—Exhibit 231, book 8.

Q. Now, I come to the last point in connection with stockpiling, which is the loan of 500 tons of tetraethyl lead mentioned in Document NI–4922, Prosecution Exhibit 732.[1] Did you have anything to do with that?

A. No, this was a purely commercial incident and had nothing to do with Sparte I or with me. I learned of this incident only here in Nuernberg. Mueller-Cunradi made this loan in his capacity as manager of Ethyl G.m.b.H. The financial end was handled by the Central Finance Office. I cannot recall that Mueller-Cunradi ever talked to me about the matter.

DR. HELLMUTH DIX: We have then finished the subject of stockpiling in your Sparte.

c. Testimony of Defendant ter Meer

EXTRACT FROM THE TESTIMONY OF DEFENDANT TER MEER[2]

CROSS-EXAMINATION

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MR. DUBOIS: You spoke of the location of the plant Huels, and your counsel introduced a map stressing the location of this plant near the western border. Now, it is a fact, is it not, Dr. ter Meer, that vital production facilities were geographically decentralized by Farben long before the war because of military consideration?

DEFENDANT TER MEER: That is true of some stand-by plants, and probably in the choice of Schkopau it was taken into consideration that Central Germany was the best location for all eventualities, since it was fairly far from the border both in the East and the West.

The prosecution has introduced documents about defense preparations of the Ministry of Economics, which of course, we have all just learned of now. This matter of the geographical distribution of production in Germany is dealt with at great length there.

Q. But you knew of that long before the war, isn't that right, as well as afterward?

A. These defense economy directives were presented when I was examined. They were top secret matters. I naturally did not know them. But if a stand-by plant for diglycol was built at Wolfen, of course one thought of such things; I realize that.

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[1] Reproduced in part in 2 above.

[2] Further extracts are reproduced above in subsections C 5*b*, E 3, G 3, H 4*b*; below in subsections J 4, K 3*a*, L 3*d*, M 3, O 7*a*; and section VIII, subsections C 6, D 3, D 6, E 4; and section IX F 2, volume VIII, this series.

d. Testimony of Defendant Buergin

EXTRACT FROM THE TESTIMONY OF DEFENDANT BUERGIN[1]

DIRECT EXAMINATION

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DR. SCHUBERT (counsel for defendant Buergin): In Document NI–8320, Prosecution Exhibit 235,[2] the witness Struss says that the construction sites in Aken and Stassfurt—that is, in Central Germany—had been chosen by the Luftwaffe so that the magnesium plants might be as far distant from the German border as was possible. Can you say anything about this?

DEFENDANT BUERGIN: The construction of these plants in Stassfurt and Aken has, in my opinion, nothing to do with the decentralization of factories from the West to Central Germany. These production plants had to be constructed where the raw materials are found, for reasons of transportation. Besides that, the proximity of a cheap source of electric power is of decisive importance. Both prerequisites were present in the case of Aken and Stassfurt. The raw material magnesium chloride is to be found only in Central Germany, and good dolomite was quarried in the Harz Mountains. Added to that, was the favorable electric power position based on Central Germany's soft coal.

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e. Testimony of Defendant Buetefisch

EXTRACT FROM THE TESTIMONY OF DEFENDANT BUETEFISCH[3]

DIRECT EXAMINATION

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DR. FLAECHSNER (counsel for defendant Buetefisch): I have to ask you, Dr. Buetefisch, were you concerned with the purchase of large amounts of gasoline and tetraethyl lead? This purchase has been mentioned in various documents of the prosecution: Document NI–4690, Prosecution Exhibit 731,[4] in document book 39 and on page 79; Document NI–4922, Prosecution Exhibit 732,[5] also in document book 39 of the Prosecution, on page 93; and Document NI–4831, Prosecution Exhibit 733,[6] in document book

[1] Further extracts are reproduced above in subsection H 4*c*, and in section IX F 6, volume VIII, this series.

[2] Reproduced above in subsection I 4.

[3] Further extracts from the testimony of the defendant Buetefisch are reproduced above in subsection C 2, and below in subsection L 3 and in section IX F 7, volume VIII, this series.

[4] Reproduced in part in 6 above.

[5] Reproduced in part in 2 above.

[6] Not reproduced herein.

39, page 113 of the English. I shall not put these documents to you since it is sufficient if you comment generally about the entire question. As I said, it concerns the purchase of gasoline and tetraethyl lead.

DEFENDANT BUETEFISCH: No, I had nothing to do with these things. I didn't learn of them either. These are matters that were handled directly with the government. Gentlemen of Farben probably were called in on it, but neither to the TEA, nor to the Vorstand, nor to Sparte I were reports ever made about this matter. I had nothing to do with it.

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f. Testimony of Defendant Haefliger

EXTRACTS FROM THE TESTIMONY OF DEFENDANT HAEFLIGER[1]

DIRECT EXAMINATION

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DR. VON METZLER (counsel for defendant Haefliger): Mr. Haefliger, I now come to the alleged collaboration on your part in connection with the hoarding of nickel, the alleged preparation of a war of aggression. * * * Would you please comment on these charges, Mr. Haefliger? Please give an explanation.

DEFENDANT HAEFLIGER: Well, I read this affidavit with you a few days ago.

Q. Mr. Haefliger, you want to refer to the affidavit which you are about to introduce?

A. Yes, that's right.

Q. In order not to burden the record too much with technical details, you are introducing an affidavit in which you sum up this matter. Your Honors, I now submit Haefliger Document 25, which Your Honors will find in book 2, on page 32, and which will now become Haefliger Defense Exhibit 17—oh, I beg your pardon, 16.[2] This is an affidavit of the defendant which in the first part contains an extract from a report which will be offered in evidence as one of the Haefliger documents which follow later. The second part deals with several Prosecution Exhibits, namely Document NI–9636, Prosecution Exhibit 725;[3] Document NI–7564, Prosecution Exhibit 724;[4] Document NI–7563, Prosecution

[1] Further extracts from the testimony of the defendant Haefliger are reproduced above in subsection C 5*e*, and below in subsection N 5*a*, O 7*b*, and in section VIII E 4, volume VIII, this series.

[2] Haefliger's affidavit, Haefliger Defense Exhibit 16, amounts to 36 mimeographed pages, including enclosures. In view of the length of this affidavit it is not reproduced herein. However, the conclusions made by defense counsel for Haefliger when offering this document have been included.

[3] Reproduced in part in 2 above.

[4] Ibid.

Exhibit 721;[1] Document NI–4921, Prosecution Exhibit 722;[2] Document NI–9548, Prosecution Exhibit 683;[3] Document NI–9638, Prosecution Exhibit 726;[4] Document NI–9637, Prosecution Exhibit 728.[5]

The defendant testifies that the importance of the report introduced by the prosecution as their Exhibit 725, regarding the policy of the nickel trust, has been overemphasized, and that the extremely valuable services rendered by IG in return, consisting of the supply of technical experiences in this field to the nickel trust, have been suppressed on purpose in this report.

It is furthermore stated that the building up of a strategic nickel reserve corresponds to the measures taken in all countries before the outbreak of the war, and that the German nickel stockpiles, when compared with the normal consumption of nickel, were quite moderate. Haefliger furthermore testifies on the tremendous stockpiling of nickel in Great Britain, a fact which did not prevent IG from putting at the disposal of the Mond Nickel Company, London, up to the last days before the outbreak of the war, their technical experiences in this field.

I am offering in evidence, Document Haefliger 23, which Your Honors will find in book 2, on page 1, and which will become Haefliger Defense Exhibit 17.[6] This is an affidavit of Clemens Brendel, former director in the Legal Department of the I.G. Farben plant, Ludwigshafen. Attached to this affidavit is a copy of a report which the affiant and the defendant made on 11 July 1946, at the request of the I.G. Farben Control Office, on the agreement which existed between IG on the one side, and the Mond Nickel Company, Ltd., London, and the International Nickel Company of Toronto, Canada, on the other side. In this report the negotiations between these companies are dealt with, as are the additional special stocks of nickel supplied by the aforementioned companies to IG. It is stated that at the outbreak of the war the available stocks of nickel in Germany, including those special additional stocks, would not have sufficed for more than 5 months. It is stated furthermore that IG had made available to the Mond Nickel Company and the International Nickel Company, their valuable experiences relating to the production and processing of nickel, even up to the last days before the outbreak of the war.

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[1] Not reproduced herein.

[2] Reproduced in full in 2 above.

[3] Ibid.

[4] Not reproduced herein.

[5] Not reproduced herein.

[6] The translation of this exhibit amounts to 29 mimeographed pages. It is not reproduced herein. Similarly a number of other affidavits introduced as Haefliger defense exhibits have not been reproduced. However, the conclusions of Haefliger's defense counsel on offering these documents indicate the general nature and the purpose for which they were offered.

The report shows the extremely friendly cooperation which existed between the just-mentioned three companies until the outbreak of the war.

Your Honors, I offer next in evidence Document Haefliger 24, which Your Honors will find in book 2 on page 30, and which will become Haefliger Defense Exhibit 18. This is an affidavit of Clemens Brendel, one of the authors of the above-mentioned report, concerning the missing exhibits to this report.

I offer next in evidence, Your Honors, Document Haefliger 26, which Your Honors will find in book 2, on page 68, and which will be Haefliger Defense Exhibit 19. This is an affidavit of Walter Schubardt, formerly a chemist in the IG plant at Oppau, concerning the annual production of nickel in this plant.

I offer next in evidence, Document Haefliger 27, which Your Honors will find in book 2, on page 71, and which will be Haefliger Defense Exhibit 20. This is an affidavit of Leo Schlecht, a former chemist in the IG plant at Oppau, and the Mond Nickel Co., London, and the International Nickel Company of Toronto, Canada, and how I.G. made available to these companies extremely valuable experience relating to the production of nickel powder.

The affiant furthermore testifies that the stock of nickel in Germany available at the outbreak of the war amounted to 2,124 tons, and did not suffice for more than 5 months.

I offer next in evidence Document Haefliger 28, which Your Honors will find in book 2, on page 80, and which will be Haefliger Defense Exhibit 21. This is an affidavit of Dr. Alfred Petersen, now president of the Chamber of Commerce at Frankfurt. He testifies to the necessity for stockpiling nickel raw materials for the purpose of producing nickel. The affiant states that such stockpiling was a matter of economic foresight, and had nothing to do with considerations of war or rearmament.

Mr. Haefliger, among the documents which I have just introduced there is an affidavit of Mr. Leo Schlecht, dealing with the quantity of nickel stocks available in Germany before the war. He says that this supply would have lasted for about 5 months only. What sort of supplies does this refer to?

A. This can only refer to the requirements of I.G. Farben for their nickel factory, for the capacity of this factory was about 4,500 tons of nickel per year, so that a supply of 2,140 tons, as Mr. Schlecht states, with a deduction of 10 percent less in processing, makes about 1,800 tons. That amounts to exactly 5 months, referring to the requirements of Farben, but if you compare this supply with the total requirements of Germany, then I consider it only barely 2 months' supply, perhaps less.

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MR. SPRECHER: Now I understand your testimony in the last 2 days to indicate that you had a small amount of knowledge concerning production plans because you were a commercial man. In that connection I want to put a few documents to you rather rapidly. Our Document NI–14580 will become Prosecution Exhibit 2007.*

JUDGE SHAKE: What is that NI number, please?

MR. SPRECHER: It is 14580. This is an extract from a conference in Bitterfeld on 17 June 1935 concerning ferrous alloys, of which you received a copy. Does that refresh your recollection that you were informed of the storing of tungsten ores in connection with the request of the Reich Ministry of War?

DEFENDANT HAEFLIGER: You said I got a copy; that is not true. I never saw this.

Q. Well, will you look at the distribution list, please.

A. There is no distribution list on this.

Q. We will show you a photostatic copy. If it still doesn't refresh your recollection, just say so.

A. I have to read it.

Q. I am only interested in the first paragraph.

A. Yes; it's quite clear. It is—

JUDGE SHAKE: Take your time. Just a moment, please. The witness is asked when and how he received this document. He is entitled to a reasonable opportunity to know its contents before he answers. Go over it as rapidly as you can and familiarize yourself with it, and then tell us.

DEFENDANT HAEFLIGER: Well, I can see from the carbon copy that I am mentioned here on the distribution list. Actually soon after 1933 I was in touch with Mr. Keppler and with all other producers of ferrous alloys. Mr. Keppler was commissioned to investigate the German ore deposits and to find out whether there were any possibilities of mining here and there—

PRESIDING JUDGE SHAKE: Mr. Defendant, the question is simple. The prosecutor has asked you as to whether or not this document now refreshes your mind so that you can say to the Tribunal whether or not you did or did not receive a copy of this document.

A. Yes, I assume so; I don't remember it.

PRESIDING JUDGE SHAKE: Well, that is an answer. That is sufficient. Wait for another question now.

MR. SPRECHER: Did you know of the objectives of the German Government to move the production of metal alloys and light

* Reproduced in part above in subsection I 2.

metals to Central Germany, instead of having such production at the borders of Germany?

PRESIDING JUDGE SHAKE: Perhaps you better fix a time now. He probably knows it now but—

MR. SPRECHER: I mean before 1939; between 1933 and 1939.

PRESIDING JUDGE SHAKE: Now that is just a question. Did you know of it between 1933 and 1939?

DEFENDANT HAEFLIGER: No. . .

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REDIRECT EXAMINATION

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DR. VON METZLER (counsel for defendant Haefliger): I am now turning to Prosecution Exhibit 2007. This concerns the negotiations in Bitterfeld on 17 June 1935. The second paragraph discusses the storage of larger quantities of tungsten ores in Central Germany. A desire to that effect was uttered by the HWM. What do you know about this matter? Was there any such storage taking place to Central Germany?

DEFENDANT HAEFLIGER: Yes. I can't remember it exactly, but I think this was a question of the military authorities not wishing to have this material stored close to the frontier. Soellingen and Weissweiler were located at the frontier. Weissweiler was the biggest ferrous alloy plant in Germany, and belonged to the Elektra Metallurgie A.G. Soellingen, the ferrous alloy plant of Krupp's. Both these plants were, and especially Weissweiler, within firing distance of the Maginot Line and I can well imagine that one said it would be unadvisable to store materials there. The second paragraph of this exhibit mentioned decentralization, and I think the prosecution's statement refers to that fact. They asked me whether I knew that already in June 1935 industries were transferred to the interior of the country. When asked that question, I said, "No, I can't remember that." I may say that this document doesn't contradict my statement. This is not a matter of transfer, but this is merely a precaution that if, in case of war, Weissweiler were to be shelled to bits from the fortress line at the very first moment, there would be a possibility of working on these things in Central Germany. In reality, however, neither at Weissweiler nor in Soellingen was there any transfer. I have heard that Soellingen was even expanded by Krupp.

g. Testimony of Defendant Wurster

EXTRACTS FROM THE TESTIMONY OF DEFENDANT WURSTER[1]

DIRECT EXAMINATION

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DR. HEINTZELER (associate counsel for defendant Wurster); I now turn to a few questions dealing with the stockpiling of pyrites in the years before the war broke out. The prosecution referred to this stockpiling in their submission of evidence and offered a few documents. My first question about the question of stockpiling is the following: Before 1933, did Farben, and Germany, generally keep a certain amount of stores of pyrites and, if so, then please describe briefly the reasons why that was done.

DEFENDANT WURSTER: Such stockpiling was always customary, mainly because of the transport situation. Very large amounts were needed which were normally transported by water, and especially on the Rhine we experienced again and again that the winter caused a lot of worries in that respect. I remember the winter of 1929, for instance, when the Rhine was frozen over completely, and we were in great difficulties in Ludwigshafen. My department chief at the time was always very economical, and at that time Leverkusen had to help us by railroad. Mr. Kuehne was a little more liberal in his allocations, and he always fought to have a supply for at least 6 months, and that was the proper course of action.

Q. On the subject of stockpiling of pyrites, the prosecution submitted Document EC–128, Prosecution Exhibit 716,[2] in book 38. Under paragraph 9, one can find the following sentence, I quote: "The I.G. Farbenindustrie A.G. has been induced to complete the stockpiling of an additional amount of pyrites during the winter." Would you please comment on that sentence?

A. It is correct that during the winter of 1934 and 1935 small amounts of pyrites were stockpiled in Central Germany upon the request of the government but I believe this very Prosecution Exhibit 716 shows that one certainly did not have a war of aggression in view in connection with the stockpiling. May I quote two brief passages from the document, and, before I do so, may I say that the document is a report of the Reich Ministry of Economics dated 30 September 1934? Now I quote:

"Pyrites are the basic raw material of sulfuric acid, which is

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[1] Further extracts from the testimony of the defendant Wurster are reproduced above in subsection H 4 *e*, and in section VIII C4, volume VIII, this series.

[2] Reproduced in part above in subsection E2.

an indispensable chemical intermediate product. In Germany it can only be produced in the danger zone (Westphalia)."

Q. May I interrupt you? Would you please describe briefly the geographical location of Westphalia? Is it to the east, or to the south of the Ruhr area?

A. It is to the southeast.

Q. At any rate, it is more in the center of Germany than in the Ruhr area?

A. Yes.

Q. And, nevertheless, that area was called "endangered"?

A. That is what the document says in the second brief quotation: "Today we must reckon with being pushed back and limited to our own country, and even with the possibility of thereby losing the most valuable industrial regions in the East and in the West." Reading that today, it doesn't sound like a preparation for a war of aggression.

Q. As their Document NI–8843, Prosecution Exhibit 749,* the prosecution submitted in book 40, page 85, a strictly confidential correspondence between an IG director, Westpfahl, in Berlin, and the Army Ordnance Office, dated 1934 and 1935. From that correspondence, and particularly from the letter of Farben dated 14 January 1935, one can see that for Doeberitz and Kruemmel altogether 25,000 tons of pyrites were stockpiled. Would you please comment on that?

A. I assume that this correspondence and these 25,000 tons of pyrites are connected with the stockpiling action mentioned in the previously referred to Prosecution Exhibit 716. I did not see this correspondence before, but I consider it very probable that I did receive information of this storing through our commission. I don't remember this exactly any more. If that was the case, that stockpiling would not have led me to any conclusions about intentions for a war of aggression. Germany's entire consumption of pyrites at the time was around 1 million tons. Approximately 80 percent was imported from foreign countries, that is 800,000 tons, and 25,000 tons when compared with that is only a very small amount.

Q. You mean the annual figures?

A. Yes, annual figures.

Q. How do you explain the fact that on page 45 of the Trial Brief, the prosecution says, in connection with this correspondence, that in October 1934 Farben began to send, every month to the Army Ordnance Office, and later to the Military Economics Staff, reports about the stockpiling of pyrites and the production of sulfuric acid?

* Reproduced in part in 2 above.

A. I believe the prosecution doesn't see those amounts in their proper proportion. This correspondence about the 25,000 tons was obviously stopped after the 25,000 tons were collected. At any rate, I don't remember that we made monthly reports thereafter.

Q. In the case of this Exhibit 749, the prosecution mentioned, besides the correspondence of August about 25,000 tons of pyrites, a letter of the Army Ordnance Office directed to you, Dr. Wurster, of 21 December 1937 where the following sentence is contained—I quote:

> "The order of the Control Office Chemistry, according to which the supplies of iron pyrites in Ludwigshafen are to be diminished, originated here." That is, the Army Ordnance Office. "Since Ludwigshafen is located in an endangered border region, it is not feasible for reasons of military economy that iron pyrites should be stored there in quantities which exceed the normal storage quantities."

Is it correct, Dr. Wurster, that in 1939, pyrites stocks were stored in Ludwigshafen which exceeded the normal stockpiling by far?

A. That is an exaggeration. We made our stockpiles then only on the basis of the required 6 months—that is to say, we had a store which would last us for 6 months—because we wanted to make experiments with storing large amounts of pyrites out of doors. At the time we had a good opportunity to do that because our buyers, through the Duisburger Kupferhuette, offered us a lot of pyrites.

Q. Would you please explain briefly what caused this offer about the storing of pyrites?

A. That was around the time when the civil war in Spain took place. One was concerned, on the one hand, lest the supplies of this basic raw material might be interrupted by this development, and, on the other hand, the government authorities issued instructions to buy up larger amounts, because the foreign exchange situation between the two countries was such at the time that Spain owed us money, and one was to exploit this circumstance to purchase raw material. This gave the Duisburger Kupferhuette an opportunity to take in large amounts.

I participated in such a negotiation and we decided at the time, since a large expenditure was involved, that these stockpiles were to be used up in the course of 5 years, and that the new contracts for pyrites that were due should be smaller ones. That was decided at the time.

Q. Within what period of time were these stockpiles to be decreased and used up?

A. It was planned to use up within 5 years an amount which was to come in over a period of 3 years.

Q. Dr. Wurster, perhaps you can answer the question as to whether or not the stockpiles of pyrites were partly decreased up to the outbreak of the war. How large were these stockpiles by the time the war broke out in 1939?

A. When the war began we had supplies for 5 to 6 months, quite normal supplies.

(Recess)

DR. HEINTZELER: Dr. Wurster, I last asked you about the letter of the Army Ordnance Office to you, dated 21 December 1937, which is contained in Prosecution Exhibit 749, and you explained how the stockpiling of pyrites during the Spanish Civil War came about. Now, I want to ask you: Was this stockpiling exclusively a Farben matter, or did the other pyrites consumers in Germany also participate?

A. All consumers participated and the cellulose industry too.

Q. From your work, do you know that the disturbances to the Spanish economic life through the civil war led to the endeavor in other European countries to become, to a certain extent, independent of the supply of Spanish pyrites?

A. Yes. This effort was very intensive at the time in several countries. I recall, for example, that we had inquiries about licensing our pyrites—sulfuric acid process from England, France, Switzerland, and Rumania, and you will introduce a document which, if I remember the index of documents correctly, shows that Saint Gobain in France made a similar inquiry.

I may add there were other economic considerations in all these countries because when such difficulties occur, prices rise. That was also a reason for changing the processes.

Q. You mentioned that Farben's pyrites supplies between 1937 and 1939 were reduced again, and that when the war broke out in 1939 the supply amounted to 5 or 6 months' requirements. Is that a normal supply?

A. Yes. One can call that normal for Farben. I said this morning this was the figure that we aimed at.

* * * * * * *

CROSS-EXAMINATION

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MR. SPRECHER: Now, you testified that the government and the OKW were interested in stockpiling of pyrites because of the Spanish Civil War. Is it a fact that at least as early as January

1935, some time before the Spanish Civil War, Farben stored more than 20 million kilograms of pyrites in addition to the usual stockpiling amount?

DEFENDANT WURSTER: Counsel, I did not say that the Wehrmacht authorities were interested in these stockpilings in 1937. I only said during direct examination that I considered it entirely probable that small stockpiling in Central Germany was done upon the request of the authorities. I then said that it was a matter of 25,000 tons, which is a ridiculous amount in relation to a yearly consumption of about one million tons. This is how I recollect this event which took place 14 years ago. The second stockpiling action in 1937 was a purely economic matter.

Q. Now, when the Reich informed you that Ludwigshafen storage was not to exceed more than 10,000 tons at any one time, did you consider that a purely economic matter?

A. That was connected with the ideas of these agencies, which in my direct examination I called the immobilization of my plant. That shows, too, that I could not possibly have thought of an aggressive war, because they said that not even stocks could be kept in that area, but that they had to be transferred to somewhere else. That did not exactly sound like an aggressive war.

* * * * * * *

J. Air-Raid Precautions

1. INTRODUCTION

The indictment charged that shortly after the Nazis came to power, Farben began to conduct "war games" as a part of the alleged synchronization of its activities with military preparations (pars. 17 and 22). The contemporaneous documents most frequently used the German word "Planspiel" for exercises or games connected with air-raid precautions. This word may be literally translated as "plan game," or "planned exercise," or "map game." In the course of the trial, "Planspiel" came to be translated variously and almost interchangeably as "war game," "map exercise," or "planned exercise." The defense urged that "Planspiele" were merely a part of defense air-raid precautions started even before Hitler came to power, and that the government imposed increasingly stringent measures in this field, which Farben followed only reluctantly.

In this subsection contemporaneous documents (2 below) are followed by an affidavit and testimony of Prosecution Witness Gorr, a former Farben official (3 below), and testimony of the Defendant ter Meer (4 below).

2. CONTEMPORANEOUS DOCUMENTS

PARTIAL TRANSLATION OF DOCUMENT NI-8461 PROSECUTION EXHIBIT 170

EXTRACTS FROM A CONFERENCE OF MORE THAN ONE HUNDRED FARBEN PLANT LEADERS AT LEVERKUSEN UNDER THE CHAIRMANSHIP OF DEFENDANT KUERNE, 21 APRIL 1933, CONCERNING AIR-RAID PRECAUTIONS

Report of the Conference of Plant Leaders on 21 April 1933 at Leverkusen

Under the chairmanship of Kuehne, the following were present: Stange, Hilpert, and 149 plant leaders [Betriebsfuehrer].

* * * * * * *

Schunck points out that, having issued gas masks to a large part of our employees and trained them for protection against gas attacks, we must also start training for the protection of our plant against air raids, for giving alarms, classifying employees into active or passive squads, etc. The Reich Association of German Industry some time ago reemphasized that, for the time being, the industries which are left independent may not be required to incur expenses for work which falls within the framework of civil work for protection against air raids under the supervision of the Reich Commissioner for Aviation. On the other hand, this privileged position makes it obligatory that all work which can be executed without incurring expenses should be carried out as soon as possible. In conferences, government representatives have already stressed the fact that industry would be forced by means of official orders to undertake expensive work if it were seen that the firms, whose protections against air raids must be prepared (the Leverkusen plant is one of these), have not decided at least to carry out the tasks which do not involve expenditure; that is the so-called *first measures.* The liaison offices for confidential matters [Vertrauensstellen]—ours is the Langnamverein[1] in Duesseldorf—are to investigate whether the plant air-raid precautions chief has started work on the first measures. First measures are—

1. An appointment of a member of the management who is to supervise all work concerning air-raid precautions. Baurat[2] Hilpert has been designated for this.

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[1] Literally translated, "Long name association." The proper name of this association is: "Association for Safeguarding the Entire Economic Interests in the Rhineland and Westphalia [Verein zur Wahrung der gesamten wirtschaftlichen Interessen in Rheinland und Westfalen]".

[2] "Baurat," a title given to architects employed in government service.

2. Appointment of a plant air-raid precaution chief. Baurat Schunck has been designated for this.

3. Establishment of a plant air-raid precaution program by the plant air-raid precaution chief.

This plant air-raid precaution program includes:

Communication between the plant alarm post and the public air-raid warning service, the latter to be organized by the authorities. Enemy planes must be reported to the authorities, and from there to the plant alarm post, sufficiently early to allow for carrying out preparatory measures before the arrival of planes.

The following key words are to be used:

For preliminary warning	"air raid danger"
For main warning	"air raid alarm," and "end of air raid alarm" respectively
For all clear	"end of air raid danger"

The following steps are to be taken at the key word "air raid danger":

Notify certain plant officials.
Hold the reinforced fire brigade in readiness.
Man the first aid stations.
Hold all motor vehicles in readiness.
Notify the workers assigned to work squads.
Take precautionary measures for the sudden cutting off of steam, electricity, gas, etc.
Prepare for the interruption of difficult production processes.
Prepare for blackout if after dark.
Open the shelters for the employees.

The signal for "air raid alarm" or "end of air raid alarm" will be sounded by means of an alarm which must be audible in all places of work. When the signal is sounded the whole staff, except in plants which cannot interrupt production, is to go to the shelters intended for it in each plant. The personnel belonging to the so-called "active crew" who cannot stop work, must have gas-protection equipment and have been instructed in its use. The personnel assigned to "work squads," which must also be equipped for gas protection, must proceed to the shelter designated for each squad. Upon "end of air raid alarm," the decontamination squads will start their activities first; after them will follow the repair and demolition squads, and only afterwards the "passive crews" will leave the shelters and return to their place of work, led by plant air-raid precaution officials or foremen.

In the near future (a special request will be made for this), a list will have to be made of active employees—that is all those who cannot leave their places of work—furthermore, all person-

nel assigned to the fire brigade, works protection squad, first aid service, decontamination squads, repair and demolition squads. No one between 18 and 35 should be used, if possible. If that is unavoidable, these persons are to be indicated. The authorities want these lists in order to avoid assignment of these people to squads of the local air-raid protection service during the formation of the civilian air-raid protection service.

The plant leaders are requested to consider even now which activities of their plants cannot be stopped, how many people and who must remain in the plants during the alarm, and what shelters (mainly cellars) might be suitable for their "passive" employees.

In the near future, the leaders of the work squads (fire brigade, works protection squad, medical service, squads for decontamination, demolition and repair) will be designated and will have to organize their squads. The manner of the plant alarm system will also be made known soon. No work which causes expense, such as equipment for employees, obtaining building materials, et cetera, construction of buildings (shelters) et cetera, will be carried out as yet.

Training for protection against gas attacks can and, if only in order to prevent accidents, should be started now, in the model practice rooms of the fire brigades, with the numerous protective apparatus against gas attacks which are available at the plants and the fire brigades. It is necessary for plant leaders, plant engineers, and foremen to take part in these instructions also. Applications must be submitted to the fire brigade.

In concluding the report, Kuehne declares that only such steps are to be taken which can be forced on the plant. Above all, everyone is to remain calm and not to exaggerate the matter. Hilpert pointed out that Hoechst is having officialed schools in Frankfurt for protection against air raids, which is not necessary for Leverkusen, however.

* * * * * * *

The Chairman
Signed: KUEHNE
The Secretary
Signed: HEUSER

TRANSLATION OF DOCUMENT NI–4624
PROSECUTION EXHIBIT 185

LETTER OF DR. VON BRUENING OF LIAISON OFFICE WEHRMACHT (VERMITTLUNGSSTELLE W) TO DEFENDANT KUEHNE, 2 NOVEMBER 1936, CONCERNING WAR GAMES (PLANSPIELE) AT LEVERKUSEN

Dr. von Bruening

I.G. Farbenindustrie Aktiengesellschaft, Vermittlungsstelle W

Confidential

Berlin NW 7, Unter den Linden 78

I.G. Farbenindustrie Aktiengesellschaft [Stamp]

Attention: Director Dr. Kuehne Management Dept.

Leverkusen/IG Works Leverkusen, 3/11/36

Our ref: V. B/Pf

Berlin, 2 November 1936

Dear Dr. Kuehne,

Many thanks for your information about Dr. Z. [Zahn]. We made appropriate use of the contents of the note without revealing details.

With regard to the Leverkusen map games [Planspiele], I am afraid I am forced to inform you of another postponement of the date. Colonel Thomas,[1] who is very interested in participating personally in these exercies (and whose participation guarantees the proper utilization of our efforts) in unable—owing to the heavy work-load at his office—to fix a date prior to the beginning of January which would permit him and his associates to come to Leverkusen. Consequently we recommend that you agree to this postponement and discontinue further preparations until the beginning of January.[2]

With German salute

Sincerely your

Registered [Signed] BRUENING

[1] Chief of the Military Economics Staff [Wehrwirtschaftsstab] of the OKW.

[2] War games or "map games" were also held at Farben's Leuna plant. Concerning these exercises at Leuna, the defendant Buetefisch stated (Doc. NI–8637, Pros. Ex. 29): "The Air Force turned up with several generals, Milch among them. I do not remember the year, it must have been in 1935 or 1936. A practice was arranged. It was given out: An air fleet is attacking Leuna. What do you do to protect yourselves. * * * A squadron flew over. A telephone message was received and work was stopped. This was followed by a discussion as to whether the correct measures had been taken." Buetefisch also stated that there was low altitude flying and diving by the airplanes which flew over, but that nothing was dropped by the planes. The minutes of a meeting of the technical directors at Farben's Frankfurt-Hoechst plant of 9 March 1936 state: "An exercise at Leuna has shown the apparent efficacy of the plant's defense system" (Doc. NI–5881, Pros. Ex. 183), not reproduced herein.

PARTIAL TRANSLATION OF DOCUMENT NI-6298
PROSECUTION EXHIBIT 180

EXTRACTS FROM THE MINUTES OF THE SEVENTH MEETING OF THE TECHNICAL MANAGEMENT AT LUDWIGSHAFEN, 12 APRIL 1938

Persons present: Ambros, Boeckler, Brendel, Eymann, Goldberg, Grimm, Holdermann, Holzach, Keller, Krieger, Mansfeld, Mehner, Mohwinkel, Mueller-Cunradi, Pfannmueller, Pflaumer, Pfleiderer, Raeithel, Reppe, Santo, Sauer, Winter and Buelow, Fr. Mueller, v. Rosenberg, Wagner.

Not present: Baumann, Fahrenhorst, Kesseler, v. Knieriem, Krauch, Lappe, Pier, Schoeneman, Steimmig, Stroebel, Weiss/Purchase Dept., Weiss/Welfare, Wurster.

Agenda:

1. Fritz Mueller: Air-raid protection
2. Brendel: Contact with I.C.I.*
3. Pfannmueller: Report on recent meetings of the Inorganics Committee
4. Ambros: Report on various meetings held during March

1. Fritz Mueller: Air-raid protection

With the aid of maps and charts, M. gives a general description of the organization and aims of the air-raid protection system in the plants and discusses the conditions in Ludwigshafen-Oppau in particular. So far, more than 2,000 employees each from Ludwigshafen and Oppau have completed training courses at the plant Air Defense School. The training is conducted in accordance with a plan carefully worked out by plant air raid wardens. Up to date, about 45 percent of the air-raid shelters required have been completed in Ludwigshafen and Oppau. Construction of further air-raid shelters is either in progress or planned.

The speaker gives an interesting account of blackout and camouflage problems, as well as of the "air raid" and "all clear" signal system, with particular regard to the special conditions prevailing in Ludwigshafen and Oppau.

The subsequent discussion indicates that a lively interest is taken in problems of air-raid protection.

Ambros requests the speaker to repeat his lecture to a meeting of plant leaders of Ludwigshafen and Oppau.

* * * * * * *

Signed: BUELOW

* Imperial Chemical Industries, Ltd., London.

3. AFFIDAVIT AND TESTIMONY OF PROSECUTION WITNESS GORR

PARTIAL TRANSLATION OF DOCUMENT NI–7611 PROSECUTION EXHIBIT 141

EXTRACTS FROM AN AFFIDAVIT OF DR. GUENTHER GORR, DATED 3 JUNE 1947

I, Dr. Guenther Gorr, chemist of the I.G. Farbenindustrie A.G. from 1926 until 1945; Prokurist of the I.G. Farbenindustrie A.G. since 1940; member of Vermittlungsstelle W since December 1936, and its manager for Sparte II since April 1937; present address, Berlin-Charlottenburg, Preussenallee 28; after having been warned that I shall be liable to punishment for making a false statement, herewith declare the following under oath of my own free will and without coercion:

* * * * * * *

5. Vermittlungsstelle W had the following tasks:

* * * * * * *

h. Uniform organization and handling of all measures against possible air raids. As already stated with reference to the points mentioned above, here too it was the endeavor of Vermittlungsstelle W to guarantee the uniformity of procedure in the individual plants. For this purpose so-called map games [Planspiele] were conducted in the middle of the thirties in individual plants at the suggestion of the authorities. During these map games over the conference table certain damage in the plants caused by air raids was taken as a starting point, and the operational management was urged to make suggestions for a quick change-over of the production procedure with the aim of having the smallest possible loss in production.

* * * * * * *

I have carefully read each of the seven (7) pages of this affidavit and countersigned them with my own hand, have made the necessary corrections in my own handwriting and initialed them, and I herewith declare under oath that I have stated the full truth in this affidavit to the best of my knowledge and belief.

[Signed] GORR

EXTRACT FROM THE TESTIMONY OF PROSECUTION WITNESS DR. GUENTHER GORR[1]

CROSS-EXAMINATION

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DR. VON ROSPATT (associate counsel for defendant Krauch): On page 6 of the original [Doc. NI–7611, Pros. Ex. 141][2] under "h", you say that by instigation of the authorities, so-called map games [Planspiele] in the various plants were carried out. What authorities instigated the carrying out of these map games?

WITNESS GORR: I can't answer this question precisely but I assume that the directives, in the final analysis, were issued also by the OKW and by the Reich Ministry of Economics.

Q. The mobilization plans, the map games, and air-raid precautionary measures were not instituted voluntarily by Farben but by request of the authorities?

A. As far as I know from my own experience, these map games did not originate from the initiative of Farben, but I must add that I consider it possible that one of my former colleagues, Dr. Ritter,[3] who was very much interested from an academic viewpoint in these questions, organized quite a few which were not ordered by the Army. If this assumption of mine is correct, this appears to me to be not an active interest of the people in charge of Farben, but rather an intervention of a particular expert in Farben.

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4. Testimony of Defendant ter Meer

EXTRACTS FROM THE TESTIMONY OF DEFENDANT TER MEER[4]

DIRECT EXAMINATION

* * * * * * *

DR. BORNEMANN (counsel for defendant ter Meer): Dr. ter Meer's further examination will cover the field which has been presented by the prosecution under the heading of mobilization planning: the question of air-raid protection, secrecy measures, and plans of mobilization. I begin with the field of air defense. Dr. ter Meer, the prosecution charges Farben, and also you, to the effect that Farben, on their own, had initiated air-raid protection measures. Does this assertion correspond to the truth?

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[1] Complete testimony is recorded in the mimeographed transcript, 24 October 1947, pp. 2680–2706.

[2] Extracts from Document NI–7611 are reproduced immediately above.

[3] Dr. Ritter was an official in Farben's Vermittlungsstelle W and later became an official of the Krauch Office.

[4] Further extracts from the testimony of the defendant ter Meer are reproduced above in subsection VII C 5*b*, E 3, G 3, H 4*b*, I 7*c*, below in subsections K 3*a*, L 3*d*, M 3, O 7*a*, and in subsections VIII C 6, D 3, D 6, E 4, and IX F 2 in volume VIII, this series.

DEFENDANT TER MEER: This statement is not correct. Air-raid protection was ordered by Reich laws. This legislation of the National Socialist government was issued during the years 1935 through 1939; but already long before that time, since 1931, the industrial plants were urged by the Reich authorities to take steps for air-raid protection. The advising and supervision of the plants was entrusted to the Reich Association of German Industry, and that organization formed a special committee for industrial air-raid protection. This committee issued a number of leaflets, the first of which, as far as I can remember, was printed in 1931; I shall have it introduced later. It deals in detail with industrial air defense. In the same pamphlet, the air-protection measures of the most important European states are described; especially the countries France, England, Czechoslovakia, Holland, Poland, and Russia are mentioned. Non-European countries mentioned were Japan and the United States. The measures in those countries date back, in part, to the year 1927. It is interesting that in France, according to a decree of the French War Ministry, from the year 1926 the population of the frontier district was instructed in protection against poison gas. Similar measures apply for England, Poland, and Russia. As a result, Germany, too, concerned herself with air-raid protection measures from 1932, and with the protection of the population against gas attacks. The organization of civilian air defense was expressly permitted to Germany on the basis of the Paris agreement on aviation, of May 1926.

Q. Dr. ter Meer, you said that since 1932 Germany concerned itself with air defense in the civilian sector. Weren't you perhaps mistaken? Wasn't it in 1931?

A. I meant to say 1931, but I may have been mistaken.

Q. What can you say generally about Farben's position in regard to air defense and, in particular, about your own position and attitude thereto?

A. Farben's attitude towards air defense was completely reserved and reticent. Certain measures could not be evaded, and Farben's endeavors were directed towards complying with these measures formally and expending the money necessary, but keeping things on a modest and economical basis. The prosecution presented Exhibit 170, Document NI–8461,* in book 7, English page 14, and pages 2 and 3 of the German. This is the record of a meeting of various plant leaders in Leverkusen on 21 April 1933. May I quote the following short excerpts therefrom: "Schunk"—that was the man charged with air-raid protection matters in the plant—"points out that * * * we must also start

* Reproduced in part above in subsection J 2.

training for the protection of our plant against air raids * * * Government representatives have already stressed the fact that industry would be forced by means of official orders to undertake expensive work if it were seen that the firms * * * have not decided * * * to carry out * * * the so-called *first measures*." At the end it says: "In concluding, Kuehne"—that is the defendant Kuehne—"declares that only such steps are to be taken which can be forced on the plant. Above all, everyone is to remain calm and not to exaggerate the matter."

Q. As head of TEA and Sparte II, did you yourself have anything to do with air defense measures?

A. Yes. As head of the TEA, I had to have the credit applications for air-raid measures brought up for discussion.

* * * * * * *

Q. * * * I should like to ask you further, Dr. ter Meer, what was the attitude of TEA in regard to credit requests and requests for appropriations for air defense?

A. TEA was of the opinion that those expenditures should be made that were unavoidable because of government orders. As typical of the TEA members' attitude, I quoted Dr. Kuehne's remark. Upon my suggestion, Mr. Jaehne, the chief engineer of Farben and the chairman of the Technical Commission [TEKO], was asked to deal with air defense for the entire enterprise, and to see to it, from Hoechst, that in the individual plants, matters were handled equally and uniformly. By these measures we want to prevent that through the particular zeal of local Party organizations, or the particular pressure of local organizations, individual plants should incur too great expenses which might prejudice the other plants.

Q. Can you illustrate this reticent attitude of Farben in a more detailed way?

A. The prosecution presented Exhibit 174, Document NI–4838[1] in Book 7, on page 46d of the German and 23 in the English. Then also Exhibit 179, Document NI–4451,[2] also in Book 7 on page 79d of the German and 32 of the English. The text of these exhibits shows quite clearly Mr. Jaehne's endeavors to keep expenses for air defense low.

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[1] An extract from the minutes of Farben's Engineering Committee, 14 September 1933, in which it was stated that "The total of 100,000 reichsmarks provided for by the plants for air-raid protection appears to be too high. When the result of the last central meeting in Berlin is available, the amount to be spent will be finally determined." These minutes are not reproduced herein.

[2] Memorandum of Defendant Jaehne, 27 September 1934, in which he reported to a special meeting of Sparte II that "The recently proposed measures, which exceed the previous demands, constitute such a burden on the plant and its operation that from the viewpoint of good management of the plants, their application appears doubtful." This memorandum is not reproduced herein.

Q. Did you participate in the air defense "map games" [Planspiele], which were incorrectly termed "war games" by the prosecution?

A. Not I myself. I sent Dr. Struss to two such map games. One was in Ludwigshafen, the other one in Leuna, I believe. I think Dr. Struss testified about this. These map games were also ordered by the authorities and, in the fourth pamphlet of the Reich Association of German Industry, these exercises were described in detail and their execution was recommended to the individual plants.

Q. Did you ever participate in any such exercises as spectator or actively?

A. No, I didn't think it worthwhile to go there.

Q. The prosecution also spoke about map reading exercises [Kartenlesespiele] in their presentation of evidence. Can you tell me anything about that?

A. I heard this expression for the first time from the prosecution. I didn't know it myself. I presume it is something similar.

* * * * * * *

K. Special or Stand-by Plants Sponsored by the Government or the German Armed Forces and Constructed and Operated by Farben

I. INTRODUCTION

A number of special or standby plants were constructed and operated by Farben in order to produce larger quantities of war-important materials or materials, such as poison gas, which were solely of use to the Armed Forces. Most of these plants were owned or sponsored in whole or in part by special organizations established by the German Government or the German Army. During the earlier years of the Nazi regime, special plants of the "WIFO," a specially formed company (a G.m.b.H.), were relatively more important, but later on the standby plants of the "Montan" corporation (an A.G.) were more important. The evidence on the purpose, construction, and operation of these plants was both extensive and complicated, and the contemporaneous documents, taken alone, are most difficult to understand. For this reason, and because of space limitations, relatively few contemporaneous documents have been reproduced in this subsection. The first materials reproduced are an affidavit and several selections from the testimony.

The materials in this subsection are arranged as follows: an affidavit and related testimony of Prosecution Witness Diekmann

concerning "WIFO" plants (2 below); testimony of the defendants ter Meer and von Knieriem on stand-by plants of the "Montan" type (3 below); a number of contemporaneous documents (4 below); extracts from the testimony of Defense Witness Ehmann (5 below); and testimony of Defendant Ambros (6 below).

2. AFFIDAVIT AND TESTIMONY OF PROSECUTION WITNESS DIEKMANN

PARTIAL TRANSLATION OF DOCUMENT NI-10540 PROSECUTION EXHIBIT 669

AFFIDAVIT OF DR. HEINRICH DIEKMANN, 4 SEPTEMBER 1947

I, Dr. Heinrich Diekmann, born on 15 March 1901, chemist of I.G. Farbenindustrie A.G. from 1926–1945; head of the department of Sparte I in Vermittlungsstelle W, Berlin, since 1936; chief of counterintelligence [Abwehr] of Vermittlungsstelle W, Berlin, since 1937/38; deputy chief of counterintelligence for technical matters for I.G. Farben Plants since 1940; representative of the Plenipotentiary General for Special Questions of Chemical Production in the Armaments Ministry for the Working Committee in the Special Committee V (Preliminary Products in the Powder and Explosives Main Committee), from 1942–1945; Prokurist of I.G. Farbenindustrie A.G. since 1941; and at present, deputy chief of B.A.S.F. [Badische Anilin- und Sodafabrik], Ludwigshafen, after having been warned that I shall be liable to punishment for making false statements, herewith declare the following under oath, of my own free will and without coercion:

1. In 1926, I joined the Badische Anilin- und Sodafabrik as chemist. I remained there until 1934 as nitrogen expert. That year I was transferred to the office of Sparte I, where I worked until 1936. In 1936, I was commissioned to go to Vermittlungsstelle W, Berlin, to take over the management of this office for Sparte I. In that position, I had to deal with and supervise all matters of Sparte I.

2. In 1934–1936, during my activity in the Oppau Sparte Office, I learned for the first time of the existence in Germany of "shadow factories" or stand-by plants; I learned this either from files or from oral communications by Dr. Goldberg, Oberingenieur [Senior Engineer] Forsthoff, Dr. Beck, or others. The first shadow factory within the sphere of the Nitrogen Sparte was constructed in Doeberitz by our Oberingenieur Forsthoff, Ludwigshafen Construction Office. In the Sparte Office, we knew of the production

facilities of this plant, which was to produce concentrated nitric acid for the explosives industry; we knew the amount invested, and the owner, namely, the WIFO (Wirtschaftliche Forschungsgesellschaft).

Before building the Doeberitz plant, WIFO had obtained a preliminary cost estimate in order to ascertain whether a firm other than IG could construct this shadow factory more cheaply. The "building contract" specified that IG was to build according to the latest and most modern methods, that it was to furnish its experimental data, and also subsequent improvements. In return, IG was to receive a certain compensation apart from actual building costs, for which it had to render accounts to WIFO. This compensation, a kind of license, was negotiated with WIFO by Mr. Forsthoff, in agreement with the Sparte office which handled all license agreements in the sphere of Sparte I.

3. WIFO was founded as a G.m.b.H. I learned later on that Farben also had a part in the foundation, to wit: to the extent of 5,000 reichsmarks* of a foundation capital of 20,000 reichsmarks. I do not think that there were other firms besides Farben which participated in the foundation of WIFO.

4. When, later on in 1936, I came to Vermittlungsstelle W, I learned further details about shadow factories, WIFO, et cetera. For example, that WIFO funds were furnished by the Reich Ministry of Economics, that the orders for the construction of shadow factories came from the OKW Military-Economics Staff, and that their real source of origin lay in the demands of the Ordnance Office or the General Staff.

5. Upon completion of each shadow factory or stand-by plant, Farben concluded an "operational contract" in addition to the "building contract." The former specified the manner of cost accounting, distribution or use of any profits or losses, etc. According to instructions of the authorities, Farben, as a private firm, was to suffer no losses for operating Reich-owned shadow factories, on the one hand, but was to be interested in operating them as economically as possible through the inducement of profit sharing. On the other hand, excess profits, for instance by increased sales of nitric acid to the explosives industry, were not to be tolerated.

Above all, in these operational contracts for shadow factories, Farben had to pledge itself to keep up the production capacity of the plant and always to preserve its nature of a stand-by plant, that is, to hold this plant always in readiness for operations, or

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* Document NI-6347 Prosecution Exhibit 754 indicates that Farben's share was RM 4,000 as of 26 November 1935, and that on that date Farben transferred its share in WIFO to the Deutsche Bau- und Bodenbank Aktiengesellschaft. Not reproduced herein.

"ready to start." Farben had to give a guarantee of this readiness to start operating at any time, in case of war, or in case of mobilization, to WIFO, as well as to the Reich Ministry of Economics and the OKW, and to furnish proof of this by so-called mobilization plans or mobilization calendars for each plant. I presume that other firms which took over stand-by plants for WIFO had to accept the same obligations.

6. Such a mobilization plan for Doeberitz* already existed in 1936, when I came to Vermittlungsstelle W, Berlin. I believe Dr. Ritter and Dr. Eckell worked it out mainly, guided by their own principles and ideas. The plan showed, for example, that a trained staff was held ready in Oppau for the Doeberitz shadow factory; that the proposed plant manager, Dr. Christoph Beck, was informed of all technical details of the plant; that he inspected the plant from time to time; that he held in readiness and supervised engineers, section chiefs, foremen, and other skilled workers who were listed by name, etc. It further showed that certain quantities of raw materials, coal, and basic products had been stocked, that the requisite tank cars were in readiness somewhere, and so on. Speaking in a military sense, one had only to press a button, so to speak, in order to start the operation of the shadow factory. To my recollection, this mobilization plan for Doeberitz was in the form of a 10–20 page booklet when I came to Vermittlungsstelle W, and apparently it was satisfactory proof for WIFO, the Reich Ministry of Economics, and the OKW, of the readiness of the plant.

7. In the case of the WIFO shadow factory at Embsen, a mobilization plan was not satisfactory proof of operational readiness for the authorities. This factory also was to produce concentrated nitric acid for the explosives industry. It was quite isolated in the woods near Lueneberg, and the OKW would not believe that the plant could start operations without any trouble in case of war, the more so since BAMAG [Berlin-Anhaltische Maschinenbau A.G.], and not Farben, had planned and constructed this factory, and Farben had only been entrusted with the operational management.

Therefore, the authorities demanded that Farben should take over, already in peacetime, the operation of the Embsen shadow factory, which was done. Current production in Embsen had to be kept at one-fifth of its capacity at least, although other Farben plants producing nitric acid had to be shut down. As to the rest, the growing requirements of the Wehrmacht was the reason why Reich-owned shadow factories were put into operation already before the outbreak of war, since existing facilities of private

* Doeberitz produced aniline and diphenylamine, both intermediate products for the stabilizer plant at Farben's Wolfen plant.

industry were not able to meet the increasing rearmament requirements.

8. As I remember, WIFO had only shadow factories producing raw materials or preliminary products for immediate Wehrmacht requirements, such as concentrated nitric acid and toluene for powder and explosives works. Wehrmacht goods themselves, such as explosives, were produced in shadow factories which did not belong to WIFO but to other Reich-owned companies (such as Montan G.m.b.H.), which were subordinated to the Ordnance Office.[1] Sparte I of Farben had little or nothing to do with the shadow factories or stand-by plants of Montan G.m.b.H.; for example, in the fields of diglycol, stabilizers, pentaerythrite as well as powder, explosives, and poison gas, since these products did not belong to the sphere of Sparte I—which included nitrogen, methanol, gasoline, et cetera—but belonged to other Sparten of Farben.

* * * * * * *

12. I have carefully read each of the six (6) pages of this affidavit and signed them. I have made all necessary corrections in my own handwriting and initialed them. I herewith declare under oath that I have stated the full truth to the best of my knowledge and belief.

[Signed] DR. HEINRICH DIEKMANN

EXTRACTS FROM THE TESTIMONY OF PROSECUTION WITNESS DR. HEINRICH DIEKMANN[2]

CROSS-EXAMINATION

* * * * * * *

DR. HELLMUTH DIX (counsel for defendant Schneider): In this affidavit with which we are now dealing,[3] you make statements regarding so-called stand-by or "shadow" factories, which were the property of the WIFO, and for which WIFO made contracts with the IG for renting or managing. In that connection, let me ask you, is it not true that other firms also entered into similar contracts with the WIFO?

WITNESS DIEKMANN: Yes, certainly.

Q. Could you please name some?

A. When building stand-by plants, the WIFO selected the firms which seemed to them to be best acquainted with that type of production and would be best fitted to build such plants. They some-

[1] The operation of Reich-owned companies producing explosives by Farben's subsidiary, DAG, is one of the topics considered in subsection M, below "Farben, Dynamit A.G. (DAG), and the Production of Explosives."

[2] Complete testimony is recorded in the mimeographed transcript, 15 and 16 October 1947, pp. 2196–2233.

[3] Document NI–10540, Prosecution Exhibit 669, reproduced immediately above.

times turned to the IG. Other times, however, for instance in the sphere of production with which I dealt, nitric acid, they approached BAMAG [Berlin-Anhaltische Maschinenbau A.G.]. They first asked for an estimate of costs, and then they embarked upon conferences with their Ministry—the Ministry of Economics—and then they decided whether they would build according to the Farben process or according to the BAMAG process. The chemical processes were different. They, however, always had instructions not only to select the cheapest process, but the safest process, so that in case of war or mobilization they would have a factory which could give the best guarantee that it could really start production at once.

* * * * * * *

Q. We were dealing with the question of whether other firms received instructions from the WIFO to build factories for them, or to rent them, or to manage them for them. You already mentioned one firm and, in view of a misunderstanding in the translation, I should like to say here that we are not concerned with the WIPO, but with the WIFO. The WIFO is a company belonging to the Reich, and the WIPO is an office of Farben. We are talking about the WIFO, the Reich-owned company. You have already mentioned one firm which was building for the WIFO. Was that the case with the other firms too? Do you know of that?

A. Yes.

Q. Now, Dr. Diekmann, did Farben build these "shadow factories" on their own initiative?

A. Not at all on their own initiative. They were always built on the instructions of the authorities.

Q. In the affidavit with which we are dealing at the present time, you mention that Farben, in the case of these "shadow factories," had to produce proof for the Luftwaffe of the preparedness of the plant by means of mobilization plans and mobilization calendars, as stated yesterday. In the case of Doeberitz, it even appears as if Farben was interested in having a particularly good and perfect mobilization plan. How was that?

A. I have already said that Farben itself had no interest in building stand-by plants because such plants, from the point of view of peacetime only, represented competition with regard to their own production capacities in the respective fields. However, if, through Vermittlungsstelle W, Farben could not prevent the erection of these plants, and if they had to be built on the orders of the authorities, then we were at least interested in seeing to it that they did not go into operation very quickly, or at any rate not during peacetime, especially not during the first years of 1936, 1937, and 1938, when some of Farben's own production capaci-

ties—for instance, in the field of concentrated nitric acid—were idle. If we wanted to reach our aim of full capacity for the Farben plants by keeping the stand-by plants as "shadow factories," we saw in Vermittlungsstelle W a favorable opportunity of proving to the authorities by a mobilization plan that we were all ready for production, and that it really was not necessary for such "shadow factories" to be put into operation.

* * * * * * *

3. TESTIMONY OF DEFENDANTS TER MEER AND VON KNIERIEM

a. Testimony of Defendant ter Meer

EXTRACT FROM THE TESTIMONY OF DEFENDANT TER MEER*

DIRECT EXAMINATION

* * * * * * *

DR. BERNDT (counsel for defendant ter Meer): Now we come to the question of the so-called stand-by plants. Can you tell me anything about that?

DEFENDANT TER MEER: I must go back a little in this field to be able to answer the question clearly.

[Here the defendant ter Meer again pursued the subject of Farben's production in relation to rearmament. This testimony is reproduced above in subsection G 3. Thereafter, without being asked another question, the defendant continued with the following testimony.]

A. You asked me about stand-by plants. When rearmament began in Germany, Farben had adopted a very clear and simple policy as to the extent to which it would conform with the wishes and requests of the military authorities. As far as our existing plants could supply products, they were, of course, supplied, but if the Wehrmacht wanted plants built for larger quantities than could normally be absorbed by the market, then we refused. We had no interest in plants which would be idle under normal conditions. The predecessor firms of Farben had, to a large extent, set up explosives and poison gas facilities in their plants in the First World War. We did not want to have such a situation arising again and have Wehrmacht plants built in the middle of our well-ordered old works. That brought about confusion as to ownership and could lead to difficulties. We had no inclination whatever to let ourselves be misused for purposes of rearmament. We therefore said to the Wehrmacht: "Build your own plants. Do not worry us with things which are not economical and which do not

* See footnote on 1st page of subsection J 4, above, for further extracts from Defendant ter Meer's testimony.

suit our normal business." It is therefore a fact that the plants set up for military necessities became so-called stand-by plants, which the Wehrmacht paid for with its own funds and which belonged to the Reich. We gave our technical experience as far as requested, and undertook to operate the plants if this should become necessary. In this connection, I refer to the prosecution documents; among others, one on the conference about the so-called Montan plan and the Farben plan, which deals specifically with these questions. I mean Prosecution Exhibit 353,[1] Document NI–5685, book 13, page 65 in the German and page 53 in the English.

Q. The expression "Montan Company" was just used. Would you please explain that, and explain the Montan plan and Farben plan?

A. The Montan Company was a G.m.b.H.,[2] set up by the military authorities and belonging to the military. It had a number of matters to handle connected with rearmament. It also had to arrange contracts for the construction and management of stand-by plants with private industry. The then scientific head of the Montan industry, Mr. Zeidelhack, was a witness here.[3]

The method of calculating the services of private industry in managing such stand-by plants varied.

The Farben plan provided that Farben would manage the plants on its own, and that, since the plants belonged to the state, a sum would be paid to the state by Farben as rent, as it were, which would be written off with the normal amortization of the plant equipment.

The Montan plan was somewhat different. According to this plan, a special company was formed with an Aufsichtsrat which included representatives of the Army Ordnance Office; here the gross profit, calculated according to specific rules, was divided between the private firms and the military treasury. That is the subject of the exhibit which I mentioned, in which one of our lawyers at the time, Mr. Buhl, discussed the advantages of the one plan and the other with the men of Dynamit-Nobel.

Q. Was the number of stand-by plants very large?

A. The number of stand-by plants constructed in conjunction with Farben proper was not very large. They included the four factories for acids which the prosecution has again and again

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[1] Reproduced below in subsection K 4.

[2] For an explanation of the nature of a "G.m.b.H.", a company with limited liability, see "Basic Information," reproduced above in section IV, "Organization of the I. G. Farben Concern."

[3] The testimony of the Prosecution Witness, Dr. Max Zeidelhack, is recorded in the mimeographed transcript, 17 October 1947, pp. 2329–2349.

mentioned, and which produced highly concentrated nitric acid;[1] also the Wolfen stand-by plant for diglycol and powder stabilizers;[2] the diglycol plant in the buna factory at Schkopau;[3] the stand-by plants in Huels and Gendorf,[4] which were under construction at the outbreak of the war; and, finally, a few smaller ones which could not really be called stand-by plants, where the military treasury added certain supplementary plants to existing Farben plants to obtain an increase in production, and where the equipment so provided remained the property of the Reich. Those are all the cases I can think of at the moment.

Q. Did Farben, in addition to deliveries from these stand-by plants, also deliver products from its own plants—from Farben plants?

A. Yes. I should like to remind you that General Morgan,[5] who was here at the beginning of the trial, spoke in considerable detail about the relationship between dyestuffs intermediates and explosives production. Farben was a big dyestuffs producer in Germany and therefore manufactured quite a number of intermediate products which, in the case of war, might be delivered to an explosives factory and processed there into explosives. That is true, for example, in the case of nitrotoluene. Normally, a beautiful red dye is made of that, but when dyestuffs production was limited during the war, the supplies of nitrotoluene were given to an explosives factory which made TNT out of it. There are quite a number of dyestuff intermediates which can be processed (most of them after additional chemical processing) into ammunition in an explosives factory. There are the powder stabilizers, which I have already mentioned, which again are made from dyestuffs intermediates. They were made by my father's plant in Uerdingen before the First World War, and the intermediates went either into dyestuffs production or into this production. Powder stabil-

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[1] Document NI-8139 Prosecution Exhibit 667, Affidavit by Dr. Ernst Struss, mentions the following four plants: Piesteritz, Embsen, Langelsheim [in Central Germany], and Doeberitz [near Berlin]. Not reproduced herein.

[2] The stand-by plant in Wolfen for the production of diglycol and powder stabilizers is discussed in the testimony of the defense witness, Dr. Emil Ehmann, pertinent parts of which are reproduced in subsection K 5.

[3] The High Command of the Army, in a letter to Defendant Ambros, dated 25 June 1938, ordered the construction of a stand-by plant in the buna factory at Farben's Schkopau plant. The order directed that the stand-by plant was to produce both diglycol and ethylene. This letter, Document NI-7427 Prosecution Exhibit 216, is not reproduced herein.

[4] The stand-by plants in Huels and Gendorf produced mustard gas (Lost). Document NI-9619, Prosecution Exhibit 668, an affidavit of Dr. Herbert Mureck, Chief of the Procurement Office for Chemical Raw Materials in the Military Economics Office (Wehrwirtschaftsamt) of the OKW, contains a list of Farben's stand-by plants which were built or planned before the outbreak of hostilities in 1939. Not reproduced herein. Dr. Mureck testified as a prosecution witness on 29 October 1947, tr. pp. 3030-3041.

[5] Brigadier General John H. Morgan, K.C., testified as a prosecution witness on 11 September 1947, tr. pp. 727-760. General Morgan was Deputy Adjutant General of the British Army and British Military Representative on the Inter-allied Council of the Control Commission for the Disarmament of Germany after the First World War.

izers, of course, also served for powder for hunting, for purposes of sport and for sport ammunition of all kinds, and so on. Then there are various minor things which have also been mentioned here—decontamination agents—that's a rather minor thing—and then the well-known Losantin.

* * * * * * *

b. Testimony of Defendant von Knieriem

EXTRACT FROM THE TESTIMONY OF DEFENDANT VON KNIERIEM[1]

DIRECT EXAMINATION

* * * * * * *

DR. HOFFMANN (counsel for defendants Ambros and von der Heyde): Do you know anything about the Montan contracts?

DEFENDANT VON KNIERIEM: Yes.

Q. Can you tell me approximately what a Montan contract is?

A. Yes. The procedure in the case of Montan contracts was as follows. First of all, a contract was concluded between Farben and the OKW.[2] We called this a "cover contract."[3] If it has been translated as "cover agreement," it is probably correct, but I want to say that "cover" does not mean that it was covered up as a secret matter. It was an omnibus contract, a cloak agreement to a certain extent.

This cover contract usually contained the following. Farben was to undertake to erect a certain plant at the expense of the High Command and on territory belonging to the High Command. Farben was to be in charge of construction and erect the buildings, and should then operate the plant on the basis of a lease or management contract. That was, so to speak, the basic contract, which provided for further construction contracts, and lease contracts.

Now, the OKW founded the Montan-Aktiengesellschaft for the interests of the Reich, which was owned by the Reich to the extent of 100 percent. Farben, so far as I remember, founded Luranil, a construction company, and then Montan and Luranil concluded a construction contract. As far as the operation of the

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[1] Further extracts are reproduced above in section IV D, and section VII I 6 *b;* and below in subsections L 3*b* and M 6*b*.

[2] Actually such contracts were concluded between Farben and the OKH (High Command of the Army) and not the OKW (High Command of the Wehrmacht). This mistake is made by the defendant von Knieriem throughout his answer to Dr. Hoffmann's question.

[3] Examples of cover agreements between Farben and the High Command of the Army (OKH) may be found in the following exhibits: Document NI-6146 Prosecution Exhibit 636, dealing with the construction of a stand-by plant at Huels for the production of diglycol oxol I, oxol II, acetophenone, ethyl alcohol; Document NI-4989, Prosecution Exhibit 126, concerning the building of the Dyhernfurth plant for the production of product G, the poison gas tabun. Neither of these exhibits is reproduced herein.

plant was concerned, a further contract was concluded. That was the lease contract, concluded usually by the Anorgana which was owned to 100 percent by Farben and Montan.

Q. Thank you very much. Do you know whether their Montan contracts were more or less a compulsory order by the Reich to Farben in certain chemical fields?

A. Yes, I believe that certainly; especially the field which concerned Dyhernfurth.[1] There, certainly, force was exerted by the Reich, because Farben did not want to have anything to do with it.

* * * * * * *

4. CONTEMPORANEOUS DOCUMENTS

PARTIAL TRANSLATION OF DOCUMENT NI–14668 PROSECUTION EXHIBIT 2008

EXTRACT FROM THE MINUTES OF A MEETING AT FARBEN'S BITTERFELD PLANT, 16 AUGUST 1935, CONCERNING THE CONSIDERATION OF TEUTSCHENTHAL AS A STAND-BY PLANT FOR THE ARMY ORDNANCE OFFICE[2]

Minutes of the Meeting on 16 August 1935 at Bitterfeld

Present: Director Dr. Pistor, Director Meyer-Kuester, Director Dr. Buergin, Director Dr. Jaeger, Director Dr. Suchy, Dr. Lang, Dr. Hochstetter, Dr. Wagner (ferrophosphorus [dept.]), Dr. Meyer

* * * * * * *

2. Stand-by plant Army Ordnance Office

As a stand-by plant only Teutschenthal will be considered, because it is hardly worthwhile to fit up Altherzberg and Rhina, and in Bitterfeld-North the erection of a new foundry would be necessary. As a basis for a final discussion with the Army Ordnance Office, a production plan for Teutschenthal and Bitterfeld-North should be worked out on the basis of a total production of 50, or 100 and 150 tons of ferro-alloys. The costs for restoring Teutschenthal are estimated at 180,000 reichsmarks. Likewise the ratio for power (possibility of reduction in the price of power which today amounts to 2.7 pfennig per kilowatt) is still to be finally settled.

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[1] The field concerning "Dyhernfurth" was the poison gas field, in this case the poison gas "tabun." Farben agreed with the OKH to construct this plant, using Farben's construction company, Luranil G.m.b.H. Anorgana G.m.b.H., a 100 percent subsidiary of Farben, was responsible for the maintenance and operation of the plant (*NI–4989 Pros. Ex. 126*).

[2] This plant was later placed in operation. See letter of the Reich Ministry of Aviation, 23 June 1936, Document NI–4497, Prosecution Exhibit 573, reproduced above in subsection F 2.

Bitterfeld, 22 August 1935

Distribution:

Management Bitterfeld
Director Haefliger, Frankfurt
Director Meyer-Kuester, Frankfurt
Director Dr. Buergin, Bitterfeld
Director Dr. Jaeger, Bitterfeld
Mr. Jahn, Berlin
Dr. Suchy
Dr. Meyer

PARTIAL TRANSLATION OF DOCUMENT NI-7135
PROSECUTION EXHIBIT 112

LETTER FROM FARBEN'S LIAISON OFFICE WEHRMACHT TO THE REICH WAR MINISTRY CONCERNING THE CONSTRUCTION OF A STAND-BY PLANT FOR CONCENTRATED NITRIC ACID, 20 FEBRUARY 1936

I.G. Farbenindustrie Aktiengesellschaft
Vermittlungsstelle W
Berlin NW 7, Unter den Linden 18

CONFIDENTIAL

Reich War Ministry
Military Economics Office [Wehrwirtschaftsamt]

[Handwritten]
received 20/2 M[Mureck]
Berlin 20 February 1936

Subject: Stand-by plant for Concentrated Nitric Acid

Your letter of 10 February, file number 66 b 2161/IV W Wi (II b) No. 911/36 G

In answer to your letter of 10 February, we wish to inform you that the Vienenburg* site suggested by you has been thoroughly inspected by our specialists. According to the report, the site seems to be well suited for the intended purpose. In compliance with your request, we have had an estimate made of the process of concentration by means of sulfuric acid, and have drafted the projects for a plant of 15,000 tons per year—1,250 tons per month; and 30,000 tons per year—2,500 tons per month, of nitric acid. We have further had a draft made for the supplementary combustion plant, so that the plant could work directly with primary ammonia. Costs for the Vienenburg site are estimated at—

* Vienenburg is located in the Harz Mountains in Central Germany.

Costs in Reichsmarks

Productive capacity of HNO_3, concentrated

Type of plant	30,000 tons per year 2,500 tons per month	15,000 tons per year 1,250 tons per month
Combustion and concentration	Reichsmarks—4,032,000	2,408,000
Concentration only	Reichsmarks—2,290,000	1,403,000

For the sake of regularity we would like to add that this estimate of costs is merely tentative; however, as you can see from the appendix, it has been thoroughly worked out and will be found to contain the approximately correct figures.

Heil Hitler

Vermittlungsstelle W, Sparte I

[Signed] RITTER

2 Enclosures*

Original estimate of costs

* The enclosures were not introduced in evidence.

TRANSLATION OF DOCUMENT NI-7430
PROSECUTION EXHIBIT 598

FILE MEMORANDUM AND EXCHANGE OF LETTERS CONCERNING THE STAND-BY PLANT TROSTBERG

III/Dr. W/U

SECRET
21 April 1937

1. File Memorandum on the Discussion on 21 April 1937

Subject: Plant in Trostberg

Present: Baurat Janisch, Bayerische Stickstoffwerke[1]
Dr. Wildhagen
Dr. Baur
Captain Dr. Boysen, Office for German Raw Materials and Synthetics
Dr. Eckell
Dr. Wirth
Dr. Wittwer[2]

Dr. Eckell stated that a plant has been decided on in Trostberg, for "A-Fall" [case of war] to produce diglycol, oxol, and acetic acid. In case of war, 80,000 tons of carbide should be seized for this production. The operation of the plant in peacetime is not envisaged. The carbide output capacity of the Bayerische Stickstoffwerke should not be increased; electric power should be made available only as far as necessary for the operation of the planned plant (chlorine factory, hydroelectrolysis, etc.). The possibility may be considered, after the building projects put forward in the Four Year Plan have been carried out, of constructing later a carbide furnace with a capacity of 40,000 tons, including current, and of operating a suitable alcohol plant in peacetime. On the basis of these statements, the Bayerische Stickstoffwerke declared that they were prepared to undertake the management of the construction of these works. The Reich was to found a company (Chemistry Plan) which would conclude the building contract with the Bayerische Stickstoffwerke. Dr. Eckell explained that an explanatory letter would very shortly be written to the Bayerische Stickstoffwerke on the subject. By virtue of this letter the Bayerische Stickstoffwerke would then approach Farben, who will

[1] The Bayerische Stickstoffwerke A.G., Berlin, was a 100 percent owned subsidiary of the Ammoniakwerk Merseburg G.m.b.H., the share capital of which was also entirely owned by Farben.

[2] Dr. Max Wittwer was an official of Farben's Ludwigshafen plant. Between 1936 and 1940 he was an adviser concerning ethylene chemistry to the Office for German Raw Materials and Synthetics, and later to the Krauch Office. Beginning in 1940, he was manager of the Gendorf plant Anorgana G.m.b.H. See section VII G, "The Krauch Office."

be available in the capacity of consulting engineers for the building of the plant. The wooden tract near the Hardt Carbide Works, and Untergarching, has been selected as the site for the plant. The Bayerische Stickstoffwerke will procure survey maps of this land.

Signed: WITTWER

2. Letter from Colonel Loeb, Office for German Raw Materials and Synthetics to Defendant Ambros, 22 April 1937, Enclosing Copy of a Letter to Bayerische Stickstoffwerke A.G., Concerning Stand-by Plant at Trostberg

COPY

Minister President, General Goering
Plenipotentiary for the Four Year Plan
Office for German Raw Materials and Synthetics
Journal 130/37; IV 4 Dr. Eck/Hu Berlin, 22 April 1937

CONFIDENTIAL

Subject: Stand-by Plant Trostberg

To: I.G. Farbenindustrie Aktiengesellschaft
Attention: Director Dr. Ambros
Ludwigshafen/Rhine

Through: Vermittlungsstelle W, Berlin NW 7,
Unter den Linden 82

I enclose a copy of a letter to the Bayerische Stickstoffwerke A.G. concerning the stand-by plant to be built at Trostberg.

In accordance with Farben's promise, given to my office, to hold themselves available as technical advisory office for such plants, I ask you to assist the Bayerische Stickstoffwerke in the necessary preparations.

By order

Signed: LOEB
Colonel of the General Staff and Section Chief

Enclosure

3. Letter from Colonel Loeb to Bayerische Stickstoffwerke A.G., 22 April 1937, Concerning Stand-by Plant at Trostberg and Enclosing Copy of Colonel Loeb's Letter to Farben

COPY

Minister President, General Goering
Plenipotentiary for the Four Year Plan
Office for German Raw Materials and Synthetics
7 IV 4 Dr. Eck/Hu Berlin, 22 April 1937

CONFIDENTIAL

Subject: Stand-by plant Trostberg

To the Bayerische Stickstoffwerke A.G.

Attention: Dr. Wildhagen

Berlin NW 7, Schadowstrasse 4–5

With reference to the conference which took place yesterday at the office, I beg to inform you that, in conjunction with the Hardt Carbide Works, my office is to build a stand-by plant in the forest between Hart and Tacherting for the production of

500 tons of glycol per month.
800 tons of thiodiglycol per month.
1500 tons of acetic acid per month.

As stated at the above-mentioned conference, it is arranged that, in case of mobilization, as this is purely a stand-by plant, the quantity of carbide necessary for production will be made available for the carbide works at Hardt to the extent of 75–80,000 tons.

Farben has already declared itself prepared to make available the plans and information necessary for the building of this plant, and is furthermore prepared to act in a technical advisory capacity for the building operations.

Since in yesterday's discussion you agreed to undertake the local building operations and the supervision of construction, I now request you to prepare the necessary plans for the further negotiations concerning the building contract, as arranged, so that closer contractual agreements can be arrived at as quickly as possible between you and the company set up by my office for this building project.

The plant as such, being purely a stand-by plant, will be erected with government money. Detailed arrangements with regard to this will be laid down in the framework of the contracts to be concluded.

Furthermore, I should like to inform you that my office plans to sponsor expansion of this plant, if need be, in normal times, and to begin the production of carbide alcohol there. For this purpose, it is proposed to install a further carbide furnace in the Hardt Carbide Works and, at the same time, to get the necessary electric power for the furnace. On this question, however, details would have to be agreed on at a later date.

I enclose a copy of my letter to Farben

By order:

Signed: LOEB

Colonel of the General Staff and Section Chief

4. Letter to the Office for German Raw Materials and Synthetics, Signed by Defendants ter Meer and Ambros, 28 April 1937, Declaring Farben's Readiness to Act in the Matter of the Stand-by Plant at Trostberg

I.G. Farbenindustrie Aktiengesellschaft Ludwigshafen/Rhine

Registered

COPY

To the Office for German Raw Materials and Synthetics

28 April 1937

Berlin W 8, Behrenstrasse 68/70

Stand-by Plant Trostberg

Intermediates Group Dr. A/Pro

We acknowledge the receipt of your letter of 22 April and declare ourselves prepared to put our experience at your disposal for the extension of the stand-by plant at Trostberg, and to act in a technical advisory capacity for the construction.

In regard to the contractual agreement, we await further particulars on the foundation of the company to operate the plant.

I.G. Farbenindustrie Aktiengesellschaft

Signed: TER MEER

Signed: AMBROS

Copy to Director Dr. ter Meer

Dr. Roth

Construction Office Buna-Werke G.m.b.H.

[Stamp] Carbon copy

TRANSLATION OF DOCUMENT NI–5685
PROSECUTION EXHIBIT 353

MEMORANDUM OF DR. BOECKLER, FARBEN LAWYER, TO DEFENDANTS TER MEER AND AMBROS, AND TO DR. BUHL, CONCERNING A CONFERENCE WITH REPRESENTATIVES OF DYNAMIT A.G. (DAG), ON 31 JANUARY 1939, CONCERNING THE "MONTAN SCHEME" AND THE "IG SCHEME" FOR THE CONSTRUCTION AND OPERATION OF REICH PLANTS

Memorandum on the conference at Troisdorf on 31 January 1939

Present:	Ministerialrat Dr. Buhl	Frankfurt
	Director Dr. Schmidt, Assessor Grille	DAG, Troisdorf*
	Dr. Boeckler	Ludwigshafen

Reich Factories in general:

Preliminary observation:

By *"Montanschema"* [Montan scheme] in the context of the following statements will be understood that the parent company builds a factory on the order of the Army Ordnance Office. The factory belongs to the Reich. The parent company founds a "daughter" company which leases and operates the factory built by the "parent." The rent consists of a percentage of the lessee's gross profits from the plant.

By *"IG Schema"* [scheme] will be understood that only one company contracts with the Reich for the building as well as for the lease; that is, that it is intended not to found one particular company for the leasing and one for the operation. The rent is not based on the profits from the factory, but on the amortization and interest necessary to the factory.

At Dr. Buhl's request, Dr. Schmidt described in detail the historical development of the cooperation between DAG and the Army Ordnance Office and its result. The cooperation between DAG and the Reich goes much further back than the cooperation between Farben and the Reich. Formerly the conditions of the contract between DAG and the Reich were not uniform. Only in the course of time has the Montanschema developed. All the independent production plants set up by the DAG are to be dealt with under this scheme. Inasmuch as installations are available in the DAG works themselves which were at one time financed by the Reich, special rulings apply. The aim is that such plants be

* The DAG was a corporation engaged principally in the manufacture of explosives. The prosecution and defense took quite opposite points of view as to the nature and extent of Farben's ownership and control of DAG. See section M. "Farben, Dynamit A.G. (DAG), and the Production of Explosives," below.

taken over by the DAG. In any case the Montanschema does not apply here. The daughter company of the DAG concerned is the Gesellschaft zur Vertwertung chemischer Erzeugnisse m.b.H. [Company for the Exploitation of Chemical Products]. Its capital, consisting of RM 300,000, is entirely held by the DAG. Only officials of the DAG are appointed as managers. The Aufsichtsrat consists of the Vorstand of the DAG and the Ministerialraete Drs. Zahn and Zeidelhack of the Army Ordnance Office.

Dr. Schmidt mentioned at the same time that the WASAG [Westfaelisch-Anhaltische Sprengstoff A.G.] also worked according to the Montanschema and that the daughter company of WASAG is the Deutsche Sprengstoffchemie Gesellschaft m.b.H. This company had previously been a joint undertaking of DAG and WASAG but now belongs entirely to WASAG.

DAG's experiences with the Montanschema are favorable. The fact that two gentlemen of the Army Ordnance Office are on the Aufsichtsrat of the Verwertungsgesellschaft has merely formal significance. Both these gentlemen attend meetings of the Aufsichtsrat and of the partners of the company but do not exercise their authority as members of the Aufsichtsrat in any inadmissible or even disagreeable way. (The assertions made some time ago by Dr. Engelhard of Orgacid on the same point were thus confirmed by Dr. Schmidt.)

The Montanschema lays down that a share of from 33⅓ to 50 percent of the gross profits from the plant, as shown on the balance sheet, shall be paid to the Reich as rent. The fixing of the rent could naturally lead to the minute examination by the Reich of the balance sheet drawn up by the daughter company, and in addition, to the individual examination of the actual costs and the selling prices of goods produced. According to Dr. Schmidt, this constitutes no particular danger for the DAG, as the Reich is familiar with DAG products and their production costs, and would, if the occasion arose, operate the factories itself.

This last viewpoint plays a considerably greater part in connection with the Reich factories taken over by us, as the products of our Reich factories fall within the province of our intermediate products, which are primarily of importance from the angle of private enterprise, and we do not desire the actual costs and selling prices to be submitted to the possibility of Reich control. On these grounds preference is to be given for our factories, to the IG Schema; and the Montanschema is to be, as far as possible, rejected.

Apart from this the Montanschema presents yet another difficulty for our factories; the Montanschema can be utilized when a factory is set up as an independent entity and is dependent upon

itself alone. Our factories, however — with the exception of Trostberg — are either built directly adjoining one of our works or in the midst of them; for example Huels, Schkopau, Wolfen. It is not apparent why the general conditions for the Reich factories should be further complicated by the introduction of new companies, for instance the appearance in Schkopau of a third company in addition to the IG and the buna works. This would necessitate a series of further, intricate agreements; for instance with regard to power, railroad connections, et cetera.

In conclusion, it can be estimated as the outcome of the discussion in Troisdorf, that despite the favorable experience of the DAG we are to reject the Montanschema and adhere to the IG Schema. This is to be talked over with Dr. Zeidelhack, the father of the Montanschema and chief of J Rue. 10 [Industrial Armaments Section].

For the rest, the DAG has constantly had the same experiences as ourselves in its dealings with Army Ordnance Office. The correspondence drags on. The contract negotiations are protracted. The most grotesque situation is that the building contract has not yet been signed for a factory which has already been in production for two years.

To Director Dr. ter Meer, Frankfurt
Ministerialrat Dr. Buhl, Frankfurt
Director Dr. Ambros, Ludwigshafen

[Initial] B. [BOECKLER]

TRANSLATION OF DOCUMENT NI-7378
PROSECUTION EXHIBIT 234

LETTER OF FARBEN TO THE ARMY ORDNANCE OFFICE, 11 JULY 1939, CONCERNING THE PRODUCTION OF ALUMINUM CHLORIDE IN STAND-BY PLANTS

I.G. Farbenindustrie Aktiengesellschaft, Ludwigshafen/Rhine

Inorganic Department

SECRET

Through Liaison Office Wehrmacht

To the Army Ordnance Office

Attention: Ministerialrat Dr. Zahn

Berlin-Charlottenburg 2, Jebensstrasse 1

Inorganic Department 11 July 1939 J/S

Production of aluminum chloride in stand-by plants

Supplementary to the conference between Dr. Wittwer and Regierungsrat Dr. Ehmann, we inform you of the following as

regards the establishment of stand-by plants for anhydrous aluminum chloride:

It has been planned to produce aluminum chloride from aluminum metal in these stand-by plants, as in "A-Fall" [case of war] one cannot reckon on receiving the quantities of raw material which the normal production process requires, and because the method with aluminum metal is much simpler.

In former years aluminum chloride was technically produced from aluminum metal and chlorine in the Ludwigshafen plant of the IG; however, owing to the development of new processes on a different raw material basis, the technical development of this process did not go beyond relatively small production units. The capacity of a single system amounts only to approximately 160–170 kilograms per day, so that for the production of 125 tons per month, as it has been planned for instance for Huels, about 25 small production units would have to be set up side by side. There is no doubt that it is now possible to develop larger production units for the production of aluminum chloride from aluminum metal and chlorine. The production of such larger production units would of course mean a considerable lowering of the investment costs (estimated to be approximately 40 percent) for the stand-by plant and a decrease of personnel for the operation.

On the basis of our previous experiences, gained by the technical execution of the process, we have designed plans for a production unit of 1 ton per day of aluminum chloride. We now suggest that you should give our firm a development order in this direction with a view to placing the stand-by plants to be established in the future on as economic a footing as possible.

The costs for the setting-up of an experimental furnace with an estimated capacity of 1 ton per day of aluminum chloride are estimated by us to be 60,000 reichsmarks. For 6 months operation period on a trial basis, including further developments, we estimate an amount of 30,000 reichsmarks. The iron requirements of the plant would amount to approximately 30 tons of iron.

In order to take advantage of these experiments also for the Huels plant, your decision on this matter would have to be given immediately.

We therefore look forward to your opinion concerning our proposal as soon as possible.

Heil Hitler!

I.G. Farbenindustrie Aktiengesellschaft

Signed: PFANNMUELLER

Signed as deputy: JOHANNSEN

TRANSLATION OF DOCUMENT NI–4988
PROSECUTION EXHIBIT 355

MEMORANDUM OF A MEETING OF DEFENDANT AMBROS AND OTHER OFFICIALS OF FARBEN'S LUDWIGSHAFEN PLANT, 29 JANUARY 1940, CONCERNING THE ESTABLISHMENT AND PURPOSE OF THE "LURANIL" COMPANY FOR PROJECTS UNDERTAKEN BY FARBEN FOR A THIRD PARTY

SECRET

29 January 1940 Dr. H/Pl

Memorandum Concerning the First Discussion on Luranil on 27 January 1940 at Ludwigshafen/Rhine

Present:

Managers: Dr. Ambros, Dr. Eymann, Senior Engineer Santo

Prokuristen: Senior Engineer Mach, Lederle, Ling, Dr. Heintzler

The newly appointed Handlungsbevollmaechtigter: Zinser

Dr. Ambros opens the conference. At the outset, it is established that the founding of Luranil has a dual purpose; on the one hand it must be avoided, as regards certain projects built by the IG for another party, that the IG, as such, should appear in public, especially at the construction site; furthermore, it is intended through this foundation to make a clear distinction between IG's own projects and those built by IG for outside firms — and, by this method, to ascertain the exact and complete amount of the costs of IG's outside projects. The IG wants no profit from building the Reich plants involved; but there is danger that the IG would simply lose money on account of the difficulties in computing the costs in building these plants, and this must be avoided. Since Luranil will not be a completely independent organization with its own personnel, administration, buildings, et cetera, but is rather to carry out the projects assigned to it, mostly with IG personnel, the difficulties of estimating costs are not lessened by this new foundation. If, however, by the intercalation of Luranil, the outside projects of IG are marked as such, the most serious source of danger in regard to incomplete computation of costs is eliminated, namely ignorance of the numerous departments and people involved owing to the fact that the project in question is one of the IG's outside projects. Herr Lederle and Herr Zinser are to take all necessary steps to carry out as complete a computation of costs as possible.

The following questions were discussed in detail:

1. The first projects to be transferred to Luranil are Dyhernfurth, Griebo, and the acetaldehyde plant at Trostberg.

2. The way in which Luranil is to deal with the projects assigned to it can be gathered from the draft of a letter of instruction from IG to Luranil, added to this record as an annex.* So far it has not been settled whether Luranil shall place orders in its own name or in the name of IG. Since conditions in regard to bookkeeping, turnover tax, et cetera, are not so complicated if Luranil places orders in its own name, Luranil shall order in its own name. Any possible difficulties can be prevented from the start by the attachment of a slip to the orders of Luranil, wherein I.G. Farbenindustrie A.G. states that Luranil is a 100 percent subsidiary company of IG, and that the means for meeting the obligations of Luranil are guaranteed.

3. *Tax questions*

a. Turnover tax. The turnover between IG and Luranil remains exempt from taxes if Luranil is recognized as a part of IG. Director Dencker has lately assured us that he will see to it that the Central Tax Department forwards the appropriate application to the competent revenue office.

b. Tax on deeds. As Luranil orders in its own name, the orders placed by it are not covered by the composition sum agreement between IG and the Revenue Office. In order to simplify business it is recommended that an application be made for a composition payment as regards Luranil as well.

c. Corporation tax, property tax, trade tax. It must be cleared up whether these taxes for Luranil should be dealt with by the Central Tax Department in Frankfurt, as are those of other subsidiary companies of the IG.

4. *Personnel matters.* Luranil will carry out its tasks chiefly with IG personnel; but insofar as, in the execution of individual projects, Luranil requires temporary workers whose permanent employment with IG is not expected, they shall be hired by Luranil. Matters of personnel—for clerks as well as workers—shall be assigned for central treatment to someone in the personnel department at Ludwigshafen.

5. The OKH (High Command of the Army) has to be advised at the first opportunity about the inclusion of Luranil in the execution of projects turned over to it. In this connection, it will have to be agreed upon with the OKH that preliminary notice must go to IG as before, that each construction contract is to be drawn up between the OKH and IG, but that the remaining com-

* Not reproduced herein.

mercial correspondence (cash requirements, etc.) is to be handled by Luranil.

[Signed] HEINTZELER[1]

Enclosure

Copies to:

Director Dr. Ambros, Lu. [Ludwigshafen]
Director Dencker, Frankfurt/Main
Director Dr. Eymann, Lu.
Senior Engineer Santo, Lu.
Senior Engineer Mach, Lu.
Herr Lederle, Lu.
Herr Ling, Lu.
Herr Zinser, Lu.
Central Tax Department, Frankfurt/Main
Herr Boehn, Legal Department, Lu.

5. TESTIMONY OF DEFENSE WITNESS EHMANN

EXTRACT FROM THE TESTIMONY OF DEFENSE WITNESS EMIL EHMANN[2]

DIRECT EXAMINATION

* * * * * * *

DR. SCHUBERT (counsel for defendant Buergin): Witness, the prosecution has offered a number of documents concerning the production of diglycol. Did you have anything to do with diglycol in the Army Ordnance Office?

WITNESS EHMANN: Yes, the responsibility was with the Army Ordnance Office.

Q. For what reason did the Army Ordnance Office consider the production of diglycol important?

A. Diglycol was a high-grade, and in some cases, even superior substitute for glycerin, which was not available in the necessary quantities.

Q. What did the Army Ordnance Office do in order to promote the production of diglycol?

A. At the end of 1933 and the beginning of 1934, it was decided that a diglycol plant was to be set up in the Farben factory at Wolfen.

Q. Do you know when this plant went into operation?

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[1] Dr. Wolfgang Heintzeler was assistant defense counsel for Defendant Wurster in the Farben Trial.

[2] Ministerialrat Dr. Emil Ehmann was Chief of the Manufacturing and Procurement Department for Chemical Preliminary Products in the Army Ordnance Office (Heereswaffenamt). Dr. Ehmann also testified as a Prosecution witness. His entire testimony appears in the transcript, 30 October, 2 December 1947, and 15 January 1948, pp. 3119–3143; 4513–4531; 4560–4570; and 5347–5375.

A. Yes; in 1937.

Q. And later did the Army Ordnance Office ask that the plant be expanded?

A. Yes; that was at the end of 1938—an expansion of 500 tons per month.

Q. Now, for what reason, Witness, did the Army Ordnance Office approach I.G. Farben for the production of diglycol?

A. I.G. Farben was the sole producer.

Q. And why did the Army Ordnance Office want a diglycol plant to be set up at Wolfen near Bitterfeld?

A. There were military reasons and technical reasons. The military reason was that Wolfen was in the center of Germany. In the opinion of the men in positions of responsibility at that time, it was safe from air raids. And, as for technical reasons, it would be attached to an existing plant, which could supply power, steam, water, electricity; calcium deliveries could come from the Harz Mountains near-by, and chlorine from Bitterfeld,* etc.

Q. If I have understood you correctly, Witness, this plant was built by order of the Army Ordnance Office?

A. Yes.

Q. Now, what would have happened, Witness, if I.G. Farben had refused to obey such an order?

A. This is a theoretical question which I can only answer theoretically. I cannot see why I.G. Farben should not have obeyed a justified order of the government. I should like to know what factory in the world would refuse to obey a government order. I can answer only theoretically as to what would have happened. Pressure would have been exerted. There are all kinds of compulsory measures that can be taken. The men responsible can be removed from their positions, et cetera.

Q. In any case you at the Army Ordnance Office would have had to carry out the will of the state?

A. I should assume so.

Q. Now, did Farben carry out this diglycol production in its own plants, or was a Reich-owned plant built for that purpose?

A. A Reich plant was built with Reich funds.

Q. And this plant was only operated by Farben?

A. Yes, it was operated by Farben.

Q. Was diglycol stockpiled by Farben?

A. Not by Farben, but by the Army Ordnance Office.

Q. Witness, another product plays a certain role as an armament product in the prosecution's case; namely, stabilizers. Can you tell us very briefly for what purpose stabilizers were needed?

*Bitterfeld was the headquarters of Farben's Works Combine Central Germany, in or about the city of Bitterfeld itself. One of Farben's plants was called Bitterfeld North and another Bitterfeld South.

A. The name shows it. It is to make powder stable; to protect it from disintegration when it is stored for a long time, or under high temperatures.

Q. Was the stabilizer plant which was built at Wolfen also built by order of the Army Ordnance Office?

A. Yes.

Q. Can you tell us, Witness, when the Army Ordnance Office issued the order for the building of this plant?

A. In the spring of 1936.

Q. And when was the plant finished and put into operation?

A. After the beginning of the war.

Q. After the beginning of the war?

A. Yes.

Q. Is the same thing true of this plant, as regards ownership conditions, as for the diglycol plant?

A. Yes, it was a Reich-owned plant.

Q. It was also operated by Farben?

A. Yes.

Q. The product, stabilizers, occurs in another plant of the Works Combine of Central Germany. A plant for aniline and preliminary products for stabilizers was to be built there. Do you know anything about that?

A. Yes, that was the Reich-owned plant at Doeberitz. A plant was built at Doeberitz for the production of aniline and diphenylamine, which is a preliminary product for stabilizers.

Q. Did this plant go into operation?

A. No.

Q. Another product, phosgene. Was phosgene produced at Wolfen near Bitterfeld?

A. Yes.

Q. And was there an order from the Army Ordnance Office to that effect?

A. Yes.

Q. Why did the Army Ordnance Office need phosgene, Witness?

A. You just mentioned the powder stabilizer plant owned by the Reich at Wolfen. For the production of powder stabilizers phosgene is needed. This plant was built as part of this stabilizer plant.

Q. Witness, do you know whether phosgene was produced for other purposes at Wolfen?

A. Yes, for the filling of bombs for the Luftwaffe.

Q. Was a plant built for that purpose?

A. A filling shop was needed, which was set up on land belonging to the Reich plant after the beginning of the war.

Q. I see; after the beginning of the war. As far as you know,

Witness, were these phosgene bombs which were filled there ever used?

A. No, they were not used. The military use of phosgene would have meant chemical warfare.

Q. Do you know whether the Army Ordnance Office also had planned a phosgene filling station for shells?

A. It was planned, yes.

Q. But it was never realized?

A. The order was given after the outbreak of war but was never carried out.

Q. In connection with the Farben plant at Wolfen, another product has been mentioned, trinitro-anisole. Do you know that this product was made at Wolfen?

A. Yes, for purposes of private industry it had been produced even earlier. The Army Ordnance Office had planned an explosive called trinitro-anisole for military use, and the preliminary product for that would have been the nondangerous trinitro-anisole [sic] which was already being produced by Wolfen for private enterprise. It was to have been made into an explosive, in an explosives factory, but these plans never materialized.

Q. Witness, weapon decontamination substances were also produced at Wolfen. Was that also an order of the Army Ordnance Office?

A. Yes, there was a small production of about 17 tons of weapon decontamination substances at Wolfen. It was later increased to 34 tons.

Q. And it was also an order from the Army Ordnance Office?

A. Yes, an order of the Army Ordnance Office.

Q. Can you say the same for the production of Losantin, also a decontamination agent, at Bitterfeld?

A. Yes. Losantin is a much better decontamination agent than calcium chloride and was produced at Bitterfeld by order of the Army Ordnance Office.

Q. Witness, as far as such products were produced in Farben-owned plants, was it the rule for the Army Ordnance Office to approve increased amortizations, and can you give us the reasons for that?

A. No, that was not the rule, but in special isolated cases increased amortization rates were approved when the firm—whether it was Farben or any other chemical firm—was given the order to produce products for the Wehrmacht in the firm's own plants, for which the firm had to make new expenditures, and which were of no interest as far as private industry was concerned. Since, on the other hand, the Wehrmacht did not undertake to be a regular

consumer of these products for future years, increased amortization rates were approved in isolated cases.

Q. Do I understand you correctly if I say that such increased amortization rates were approved when they had an economically justifiable reason?

A. Yes, if we could not expect the firm to take the financial risk.

Q. A final product, Witness: picric acid. Did the plant at Bitterfeld–Wolfen supply picric acid to the Wehrmacht?

A. As far as I know, there was a small plant for the production of picric acid for industrial purposes at Wolfen. But these quantities were of no interest to the Wehrmacht, so that the plant at Wolfen certainly did not supply picric acid in any large quantities for the Wehrmacht. Picric acid is a highly explosive substance and, for this reason, the Wehrmacht had no interest in having a big plant in a normal, privately owned chemical factory. All the picric acid plants were owned by the Wehrmacht.

Q. If I understand you correctly, as far as Bitterfeld–Wolfen is concerned, there was only a small occasional delivery of picric acid?

A. I would assume so, for I recall that in 1935 the only picric acid factory which we had in Germany blew up at Rheinsdorf, and the firm had to deliver the product as raw picric acid, not as an explosive.

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6. TESTIMONY OF DEFENDANT AMBROS

EXTRACTS FROM THE TESTIMONY OF DEFENDANT AMBROS[1]

DIRECT EXAMINATION

* * * * * * *

DR. HOFFMANN (counsel for defendants Ambros and von der Heyde): Was the Gendorf plant a kind of Reich–owned chemical plant, or was it not such a plant?

DEFENDANT AMBROS: The Gendorf plant was a Reich–owned plant. The owner was the Reich, that is OKH, which used the Montangesellschaft as a holding company for directing such enterprises. The man in charge of this Montangesellschaft, who constructed all armament plants and who gave the initiative for such construction, was the prosecution witness, Zeidelhack.[2]

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[1] Complete testimony is recorded in mimeographed transcript, 26, 27, 28 February; 1 March 1948, pp. 7751–7920; 7964–8145.

[2] Dr. Zeidelhack gave several affidavits to the prosecution and his testimony consists principally of cross-examination by the defense concerning these affidavits.

Q. Dr. Ambros, I now introduce as Document OA–7, Ambros Defense Exhibit 7, again in document book 5, a chart that was already submitted for identification previously. Have you this chart before you?[1]

A. Yes.

Q. I would like to ask you the following in connection with this chart. Does this chart contain all Reich–owned chemical plants, as far as you know?

A. Yes. This chart contains all Reich-owned chemical plants, as far as I know. There's even one too many there. That is Uerdingen at the bottom. That should be deleted. That's wrong.

Q. What was Farben's share in these Reich–owned chemical plants, and what did the outside firms—as Farben would be in this case—what did they have to do with these Reich–owned plants at all? Why were they there?

A. As shown by this chart, in the left column, the firms DAG, Wasag. Wolff, Goldschmidt, Hagenuk,[2] etc., are only supervisory firms. That is to say, they are not the owners, but they have certain chemical "know-how," and they are required by the Reich to make this "know–how" available to the Reich, free of charge, for the construction of all these factories which are listed in the red square. They have the task of directing the enterprise, of constructing the enterprise on behalf of the Reich.

* * * * * * *

Q. In this chart I also find above the names Gendorf and Dyhernfurth, the name of another firm, Anorgana G.m.b.H. We spoke about this briefly yesterday, but I believe now is the time to explain briefly what the Anorgana was, and what you had to do with this enterprise.

A. When such a plant of the Montan Company had been constructed—let us take the example of Gendorf—and when this plant had to start operating, a private enterprise, for instance I.G. Farben, was put in charge of operations. I.G. Farben did not want to operate this plant as one of theirs, because these military assignments were not in their line. They chose for the work a leasehold company, on the board of which sat fully responsible representatives of the OKH, who had given the orders and were the owners of the plant. For instance, in the case of Gendorf, when in 1942 production was started, the lease–hold company of Anorgana was founded, a board was appointed,

[1] This chart, entitled "Planning and Construction of Reich-owned Chemical Plants," purports to list all Reich-owned chemical plants, the firms operating them, the mother-companies of the operating firms, and the products manufactured in these plants. It is not reproduced herein.

[2] Hagenuk refers to Hanseatische Apparatebaugesellschaft Neufeldt und Kuhnke, a firm in Kiel.

consisting of three people from the OKH and three people from Farben—I think I am wrong; there were four people each. Anorgana, of course, needed a business manager, and that position was taken over by me on an honorary basis.

Q. Did Anorgana make any profits and, if so, what was done with this money?

A. In the beginning, Anorgana only tried—I must explain this. The plant belonged to the Reich. The customer was the Reich. So there was no real loss, but there were no profits either. For instance, the tabun factory in Dyhernfurth had no possibility of making any profit. In the glycol and diglycol plants in Gendorf, however, there were profits. From these profits the Reich took one-half for itself. An arrangement had been made in the beginning according to which the Reich would be satisfied with one-third, but very soon thereafter the Reich took one-half. Besides that, the Reich took over the entire sum of amortization as far as that could be calculated in with the products sold. Farben's policy, however, was not to make anything from Anorgana. That was the directive issued by Geheimrat Schmitz. We didn't want to make any profit from Anorgana, and this point of view you find expressed also when, in 1943 or 1944, I suggested that the share of profit falling to Farben should be used for the foundation of a fund for the employees. My great anxiety was that during the production of the dangerous poison gas, tabun, some disaster might happen, and since these firms did not have the social welfare machinery that Farben did, we needed additional assistance, and for that an employees' fund for Anorgana was intended.

Q. These plants, Gendorf and Dyhernfurth, were partly projected already before the war, is that correct?

A. No. Only Gendorf was planned before the war.

Q. Yes.

A. The idea to build Dyhernfurth came about on 12 December 1939, after Hoerlein, ter Meer, and I had been given the order, on 7 September 1939 (by the OKH), to construct a plant for the production of tabun.

Q. I want to revert briefly once more to the solution that you found in connection with the erection of such plants; I have in mind Luranil. Will you describe to us briefly what this Luranil G.m.b.H. was?

A. After the war broke out, orders for the construction of Reich-owned military plants increased and Farben had to take over such orders more and more. When problems were concerned that could only be solved by Farben, for chemical reasons, I, together with the gentlemen from the legal department, suggested

that for the construction, too, a separate enterprise should be founded.

Q. When was Luranil founded—during or before the war?

A. In book 13 of the prosecution Document NI–4988, Prosecution Exhibit 355* is offered and this is a file note about the foundation of Luranil G.m.b.H. dated 29 January 1940—that is, during the war. There, I express quite clearly that the purpose of the Luranil G.m.b.H. was twofold. Farben was not to appear in public with such plans. Secondly, that the cost for such Reich-owned plants should be kept strictly separate from other tasks of I.G. Farben, and that went so far that when Luranil hired personnel, they were not to become personnel of Farben, so that Farben could not and would not take any responsibility for them. But we didn't want to camouflage anything either. In the index of some prosecution book it is hinted that Luranil was an artificial construction in order to camouflage our work in this field. That was by no means so, for this report says that in the case of all orders that went out in the name of Luranil, a slip of paper was to be added wherein Farben stated that Luranil was a 100 percent subsidiary company of Farben, and that no customers should be afraid that he would not be paid, because the means for meeting our obligations were safeguarded and guaranteed by Farben. Mr. Hoffmann, we merely did not want to have large signs on every construction site that said "I.G. Farben;" that was all.

* * * * * * *

L. Secrecy Regulations, Research and Development of Military Importance, and Withholding of Strategic Information and Know-How from Foreign Countries

I. INTRODUCTION

Most of the principal allegations of the indictment concerning secrecy regulations, research and development for military purposes, and the withholding of strategic information from foreign countries are contained under two major subdivisions of count one: "B. Farben Synchronized All of its Activities with the Military Planning of the German High Command," and "F. Farben Participated in Weakening Germany's Potential Enemies." In the charges concerning Farben's Liaison Office Wehrmacht the indictment charged: "One of the first responsibilities given to the Vermittlungsstelle by the Wehrmacht was the enforcement of stringent security measures in Farben, designed to enable Germany to arm for war with as little notice as possible to the outside world" (par. 20). Later, in the charges concerning Farben's

* Reproduced above in subsection K 4.

international cartel arrangements, the indictment stated: "After the Nazi government came into power, Farben used the international cartel as an economic weapon in the preparation for aggressive war through trade penetration, political propaganda, collection of strategic information about foreign industries, and weakening other countries by crippling production and stifling scientific research" (par. 51).

The evidence on secrecy, research, and dealings with foreign countries concerning cartels, patents, licenses, and the exchange of technical experience and know-how was very extensive and much of it was highly complicated. The selections reproduced below are for the most part only illustrative of the framework of these issues and of the facts which were developed in connection with these charges. On the other hand, some of the evidence relating to these charges has been reproduced in earlier subsections, a circumstance which is partly noted in some of the footnotes to the text of the present section. Several hundreds of the documents introduced in evidence were marked "Secret" or "Secret Reich Matter," and most of these bore a stamp noting that they were state secrets within the meaning of the Reich Penal Code. The defendants in testifying about some of the statements in contemporaneous documents often claimed that these declarations were written with a view to protecting themselves from the watchful eye of the authorities and consequently that many written statements could not be taken at their face value.

The materials reproduced in the present subsection have been arranged as follows: contemporaneous documents (2 below), followed by extracts from the testimony of six of the defendants, Krauch, von Knieriem, Buetefisch, ter Meer, Gajewski, and Oster (3 below).

2. CONTEMPORANEOUS DOCUMENTS

TRANSLATION OF DOCUMENT 2276–PS
PROSECUTION EXHIBIT 143

STATEMENT BY DR. ROBERT LEY, LEADER OF THE GERMAN LABOR FRONT, 1943, CONCERNING SECRECY AND ARMAMENT*

* * * * * * *

From 1933 to 1939 everything necessary had been done in secrecy [in aller Stille] that seemed essential for the conservation

* In addition to being leader of the German Labor Front (DAF), Dr. Ley was Chief of the NSDAP Party Organization (Reichsorganizationsleiter). He committed suicide after beng indicted in the case before the IMT. This statement is taken from p. 55 of "Die Deutsche Arbeitsfront; Wesen-Ziel-Wege," issued by the Scientific Labor Institute of the German Labor Front, published by the publishing house of the German Labor Front in 1943.

of the nation in the anticipated clash with an envious surrounding world. As always, when taking precautionary defensive measures on a newly won field, it was not possible here, either, to plan in a way that would be satisfactory. It was necessary to check what was on hand, and build with that the most essential and the momentarily most useful. It could not be prevented that the result, measured with the yardstick of what had been planned for the future, would appear modest and perhaps even inadequate.

It has not always been simple for those charged with practical social work to satisfactorily master the juxtaposition of old, scantily mended institutions, and new ones. But certainly it was even more difficult for the biggest part of the people to see how the effort supported by it was, year after year, applied to tasks which initially necessitated renunciation after renunciation. After all it seemed like a small matter to apply the energies released by the National Socialist revolution to the improvement of social conditions desired for so long. Instead, the leadership chosen by the people and time and again confirmed by them channeled all strength into armaments [Wehrhaftigkeit] and won the consent especially of those people who had had to suffer more from the social conditions prevailing up to then.

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TRANSLATION OF DOCUMENT VON KNIERIEM 11
VON KNIERIEM DEFENSE EXHIBIT 10

EXTRACTS FROM "NATIONAL SOCIALIST PENAL LAW," A BOOK OF THE PRUSSIAN MINISTER OF JUSTICE, 1933, CONCERNING HIGH TREASON, THE BETRAYAL OF MILITARY SECRETS, AND ECONOMIC HIGH TREASON*

National Socialist Penal Law

White book by the Prussian Minister of Justice R. von Decker, Publishers, G. Schenck, Berlin W 9

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First Part

List of Punishable Acts

First Main Group: The Protection of the National Community

Section One

The Protection of the Constitution

Subsection One:

The Protection of the Sovereignty of the State Outside the Borders.

Chapter One: High Treason

Preservation of Existing Penal Protection

High treason is the most discreditable and highly punishable crime against the national community of which a person can be guilty. Only by heavy and dishonoring punishment can such a deed be expiated. As the most serious attacks on the life of an individual entail the death penalty, so anyone acting against the life of the State in grave cases has to expect the death penalty; this is in accordance with Germanic concepts of law. The existing law until recently left serious gaps in the penal protection against high treason. During the Marxist-Liberalist regime a closing of these gaps could not be envisaged. After the victory of national socialism a radical change has been brought about and by the law on treason against the German people and highly treasonable activities of 28 February 1933 (Reich Law Gazette I, Page 85)

* All the extracts contained in the exhibit are reproduced here.

as well as by the Penal Code articles 92a and 92b embodied in the Law of 26 May 1933 (Reich Law Gazette I, Page 295), care has been taken of a sufficient penal protection.

This protection also in future must be fully kept up; in particular the threat of the death penalty in the most serious cases of high treason cannot be abandoned.

Treatment of the Betrayal of Military Secrets

High treason can be committed by the betrayal of military or diplomatic secrets. The existing law deals with the betrayal of diplomatic secrets in the penal law code, which has been tightened by the decree in respect of treason against the German people and highly treasonable activities of 28 February 1933 (Reich Law Gazette I, page 85), of the betrayal of military secrets however partly in the Reich Penal Code, partly in the law on the betrayal of military secrets of 3 June 1914 (Reich Law Gazette, page 195). This differential treatment has a purely historical background; there is no reason why also in future the betrayal of military secrets should be subject to two separate laws. The law dealing with the betrayal of military secrets is therefore to be incorporated in the Penal Code.

Beyond the provision of the existing law, an extension of penal protection is to be considered in the following directions.

Disclosure of Inventions

In accordance with article 5, paragraph 2, of the patent law, the Reich Chancellor can utilize inventions for use by the Army or the Navy or otherwise in the interest of public welfare. There is, however, no rule which unequivocably forbids a German inventor to dispose of an invention made by him, before it is filed, in favor of foreign countries, if it is of essential importance to the defense of the country. In the interests of German defense it must be demanded that the inventor in such cases has the right to freely dispose of the invention only after he has offered it to the German Army and the latter has refused to adopt it. If he makes it available for use abroad prior to that, for instance because he expects a higher revenue from abroad, he acts like a traitor to his country and is to be punished as such. Actually the letter of existing law provides that the inventor in such a case violates article 1 of the espionage law. The importance of the subject, however, demands the creation of an unambiguous legal basis.

A German is to be punished for high treason if he communicates to foreign countries an invention by him which is of essential value to the national defense, without first having offered same to the competent German authority for adoption.

* * * * * * *

2d Title: Economic High Treason

Economic High Treason

In an ever-increasing measure the need has become evident to safeguard national property of national-economic importance, in a way similar to that of the espionage law of 3 June 1914 in favor of articles, regarding which secrecy is requisite in the interests of national defense. In English law hitherto no differentiation was made in this respect between purely defense interests and other interests of national economy. A partial ruling is to be found already in articles 17 ff., of the law relative to unfair competition in the form of the decree for the protection of the economy of 9 March 1932 (Reich Law Gazette, Page 121). By utilization of the facts set out in paragraph 1 ff., of the espionage law the following ruling is proposed:

Liable to punishment is whoever passes on to others or publishes written matter, drawings, models, templates, sections, methods, or similar matter produced by himself or others, the secrecy of which is essential to the preservation of public property and to the preservation of trade or operational secrets of national importance.

Liable to particularly heavy punishment has to be he who, without authorization, allows such matter to come within reach of a foreign national economy.

Also acts of carelessness demand heavy punishment. The heaviest supplementary penalties are advocated.

2d title: Applicability of the Statute of Limitations to penal law in respect of time and locality.

Punishment according to unwritten law

The ruling of article 2 paragraph 1, Penal Code — maintained in E, which serves the idea of the constitutional state, and the protection of the individual against judicial arbitrariness, in that an act can only be punished if its illegality is expressly stated in the letter of the law prior to the commitment of the punishable act, originated from the individualistic Roman legal principle "*nulla poene sine lege*" [no punishment without law]. The opinion of the German Middle Ages was different; according to it the punishment was not tied to the prerequisite of the written law (compare article 105 C.C.C., "von unbenannten peinlichen fellen und straffen" [of unspecified cases and penalties]). The sentence "*nulla poene sine lege*" gives public criminals the possibility to attain their antinational aims, if only they know how to slip through the meshes of the law. It is necessary once more to correlate application of justice and the legal sense of the people. Therefore the judge must be given the possibility to a certain

extent to provide for possible loopholes in the Penal Code, similar to article I, section 2—introduction—of the Swiss Civil Law Code of 10 December 1907 and paragraph 63 of the Baeuerliche Erbhofrecht (peasants' heritage law)—Prussian law of 15 May 1933—in a manner, as though he had been made the legislator in an individual case.

The contents of article 2, paragraph 1, Penal Code, remain unaltered, except for the following amendment:

In the event, however, of an act not expressly designated as being punishable, being condemned morally in accordance with sound popular feeling and if its punishment is being demanded according to the legal concept underlying to a given penal code, the judge has to pass sentence within the frame of the Penal Code applied in this instance.

Retroactivity of Penal Laws

Should the law which is in force at the time of the deed be altered prior to judgment, then, in accordance with Article 2, section 2, Penal Code and Article 3 of the E (2), the law most favorable to the criminal is to be applied. According to the practical application of article 2, section 2, of the Penal Law Code and in accordance with the express provision of Article 3E, this is not to be the case only if the punishableness is inhibited by the lack of actual circumstances and not by a change in legal concepts. This order is to be accepted. But it appears advisable under certain circumstances to punish the criminal, or to punish him more severely, even if the deed at the time when it was committed was punishable either not yet or not to the same extent.

Fresh penal regulations not yet in force at the time when the act was committed are to be applied to the disadvantage of the criminal, if the act was punishable or morally to be condemned or had merited the freshly decreed punishment actually at that time according to general belief.

TRANSLATION OF DOCUMENT NI–10547
PROSECUTION EXHIBIT 952

CODED LETTER FROM FARBEN TO CHEMNYCO IN NEW YORK, 9 MARCH 1934, CONCERNING THE VIEW OF THE GERMAN GOVERNMENT ON INTERNATIONAL AGREEMENTS FOR TECHNICAL COLLABORATION

[Stamp] Standard
[Handwritten Note]
du Pont Nitrogen
Ludwigshafen, 9 March 1934

CODED LETTER

Dr. K. Hochschwender
Chemnyco Inc.
521 Fifth Avenue, New York, N. Y.

Dr. Ri/R

Dear Sir,

To supplement our letter of 2 March 1934, we would ask you to consider the remark we made to the effect that it must first be clarified what view the German Government takes of international agreements about technical collaboration, as only meant for your private information. Particularly it is to be recommended that in negotiations with du Pont this point should be avoided if possible. We hope that shortly there will be a clarification which will correspond to our attitude up to now in regard to questions of this kind, and if possible we should therefore not allow foreign industry to gain the impression that in this respect we are not free to negotiate.

Yours respectfully,
I.G. Farbenindustrie Aktiengesellschaft
Signatures

TRANSLATION OF DOCUMENT NI-13545
PROSECUTION EXHIBIT 1951

LETTER OF DEFENDANT GAJEWSKI TO SELCK, MEMBER OF FARBEN'S VORSTAND, 5 SEPTEMBER 1934, CONCERNING A GOVERNMENT APPOINTMENT

Dr. Ga/Hi

Wolfen-Film
5 September 1934

Registered

Confidential! Personal!

To Professor Selck
I.G. Farbenindustrie A.G.
Frankfurt/Main 20

Your Letter of 3 September 1934

My Dear Professor Selck,

In my opinion we must try everything to prevent Herr D.* from entering the office of the Raw Materials Commissioner [in the Ministry of Economics] and therefore coming into the closest contact with the Minister. In D. the Reich Ministry of Economics would have a person who is extremely well informed about IG and its set up. In view of D's character, that would be very dangerous in most cases. Herr D. knows the entire staff of IG and it would be easy for him to find out the exact opinions and intentions of IG through friends and acquaintances; for example, in the case of the negotiations of IG with the government about financial support projects which IG is about to undertake. That would not serve us at all. There is also the danger that Herr D. might possibly be employed in checking the entire expenses of plants that were built with government support. Since, in this respect, he also knows everything about cost prices and previous obligations, this would be most unpleasant for us. The government would also always make use of Herr D. in regard to all other problems which IG has to discuss with the government, since he knows the situation best. Outwardly, Herr D. would act as if he were favorably inclined towards us because of old friendship, but because of his unlimited ambition he would always try to establish his position in his new field at our expense.

In addition, Herr D. would have free access to the various IG plants through the government — a situation which in my opinion is simply impossible. For example, it would be simply unthinkable that Herr D. should ever again enter the Wolfen plant. All of my associates would unanimously object to this, and I myself would

* Richard E. Doerr, later became an official of the Economic Group Chemical Industry.

also have to refuse personal contact with Herr D. For the same reasons, he should not be permitted under any circumstances to go to the other rayon plants. As an example, I mention only the Dormagen plant, the manager of which is a seasoned SS fighter. The associates, at least of my plant, would not be able to understand it in view of the present trend, if this man were to appear again in the IG plants and, in addition, appear as a representative of the government. All the Party members in the Agfa [organization] know Herr D. and would inform Party headquarters immediately that this man is employed by the government. I have therefore caused the following steps to be taken:

Since I can give no information, I have advised the office of the Raw Materials Commissioner to ask Herr Merbeck to come to see them, since he, as a member of the Secret State Police [Gestapo], is obliged to give information to government agencies.

Herr Merbeck is already in Berlin today about this matter. I believe I have acted correctly.

As far as your answer is concerned, I would write to the Raw Materials Commissioner along the same lines as the attached copy of the letter which Dr. Pistor sent to Berlin on the same matter after having discussed it with me. I would state that you acted only in settling the disputed matters.

With best regards,
I remain, faithfully yours,
Signed: GAJEWSKI.

Enc. Original letter from Dr. Puppe* to Prof. Selck dated 1 September and original letter from R. E. Doerr to Prof. Selck dated 1 September } returned herewith

* Dipl. Ing. Puppe was the Raw Materials Commissioner in the Ministry of Economics.

TRANSLATION OF DOCUMENT NI–14002
PROSECUTION EXHIBIT 1868

MEMORANDUM OF DEFENDANT VON KNIERIEM, 4 OCTOBER 1935, CONCERNING A CONFERENCE OF DEFENDANT KRAUCH AND VON KNIERIEM WITH COLONEL THOMAS, CHIEF OF THE MILITARY ECONOMICS OFFICE OF THE REICH WAR MINISTRY, CONCERNING THE LEAKAGE OF INFORMATION OF A TECHNICAL NATURE TO FOREIGN COUNTRIES

(*This memorandum is sent to Herr Thomas from Herr Krauch*)

4 October 1935

vK/O

Conference Between Colonel Thomas and Dr. Krauch/Dr. von Knieriem

At the conference with Colonel Thomas on 17 September we submitted approximately the following: The normal operation of business of I.G. Farbenindustrie unavoidably results in leakages of know-how and information of a technical nature to countries abroad. When patents are applied for in Germany, through their publication at home, they become accessible abroad, and furthermore, technical knowledge becomes known abroad as a result of patents being applied for in foreign countries. In addition to this, IG has a great number of agreements with foreign firms which include an exchange of technical experience; according to these agreements IG sends information abroad and in return often receives valuable information from abroad which enriches its own store of knowledge.

It is quite obvious that such a leakage of technical knowledge abroad must cease in the interests of national defense. It is quite possible to achieve this, but in this case—as is being done already—applications for patents at home are not to be published (secret patents), and there are not to be any applications abroad, while the exchange of know-how with foreign countries must be modified to suit the requirements of national defense.

IG is naturally endeavoring already to follow this course, but the difficulties are unusually great insofar as there is no *one* Reich agency to which it can apply, and as a result contradictory decisions are taken. Three agencies have been recently designated as competent: one for inventions in fields which concern the Army, and second for those which are of interest to the Navy; and a third for inventions concerning the Air Force. It must be borne in mind, however, that in nearly every case discoveries of this kind are important for all three agencies.

The conditions described show that it is both desirable and urgent for an agency to be created which will take care of the entire interests of national defense and decide on questions of this nature. The creation of such an agency is desirable not only in order to avoid contradictory decisions and to prevent a great amount of useless work for industry, but in our opinion it is of compelling necessity for the following reason: The task to be entrusted to this agency is a big and heavy one. It would certainly be a simple thing to insist on secrecy in the interest of national defense in all cases where there is any doubt. But the consequences of such an action would be very serious. To begin with, it would mean that other countries would not share their know-how with us any more. But for us too, the know-how of other countries sometimes carries decisive weight, as is shown, for example, by the case of tetraethyl lead which the War Ministry knows so well. In this affair, as we learned confidentially at a later date, the War Department in Washington, after lengthy deliberation, granted permission for this process, which is so important for the conduct of war, to be made available by American heavy industry to I.G. Farbenindustrie in Germany. In addition, one would have to count on considerable resentment among those firms involved in international industrial cooperation. Finally, the influx of foreign exchange to Germany would suffer, and this would threaten the procurement of the necessary raw materials. This agency therefore—and this is the difficult thing—will have to weigh those interests pertaining to national defense which it is imperative to protect against the interests of German national economy which also deserve protection and which are important for military considerations (possibility of imports!). If, for example, a German business should ask for permission to make a new tanning process available abroad in return for considerable sums of foreign exchange, then, although leather is also of military importance, the agency in question would perhaps be acting wisely if in this case it were to consider the influx of foreign currency as of more importance than holding secret a process which is not important for the direct conduct of war. The agency to be created must learn from the treatment of such questions, and it will learn more and with greater speed if it solely has all these cases to deal with. Gradually also it will form for itself certain guiding principles as to how the aforementioned contrasting interests are to be weighed and balanced; such principles must be formed in the same way in one office, however, and not in three different ones.

DR. VON KNIERIEM

TRANSLATION OF DOCUMENT EC–223
PROSECUTION EXHIBIT 144

LETTER FROM FARBEN'S LIAISON OFFICE WEHRMACHT TO THE REICH WAR MINISTRY, 8 JULY 1937, TRANSMITTING TWO FARBEN CIRCULARS PREVIOUSLY DISTRIBUTED ON THE MAINTENANCE OF SECRECY FOR PROCESSES, PATENTS, AND "KNOW-HOW"

1. Letter of 8 July 1937

[Stamp] Secret!

Berlin NW 7
Unter den Linden 82
[Stamp]
WStb–Ro III
9 July 1937
No. 1065/37g
Encl. 2

I.G. Farbenindustrie A.G., Vermittlungsstelle W
Reich War Ministry
[Military Economics Staff]
Attention: Dr. Strommenger
Berlin W 35, Tirpitzufer 72/76
Our ref: Dr. Di/Sch

Berlin, 8 July 1937

Re: Conference on Motor Fuel and Lubricants

Enclosed please find:

1. Directions for maintaining the secrecy of processes, patents, and "know-how" of the chemical industry, dated 4 Dec. 1936.

2. Instructions concerning counterintelligence in I.G. Farbenindustrie A.G., dated 12 March 1937.

Both these enclosures were at the time sent to all IG offices concerned, that is, works-managements, department or laboratory chiefs, legal departments, patent departments, et cetera; all these departments have been advised to adhere to these instructions. The instructions themselves have been discussed and accepted at various times by the Military Economics Staff of the Reich War Ministry, Regierungsbaurat Lehmann, as well as by the counter-intelligence department of the Reich War Ministry, Col. Hencke.

It is recommended that both these enclosures serve as a basis for the conference with the Military Economics Staff of the Reich War Ministry concerning fuel and lubricant questions that you intend to hold on 13 July 1937.

Heil Hitler!
Vermittlungsstelle W
[Signed] DIEKMANN

2 enclosures
Registered

[Handwritten] To be filed 60b, 34a, security, intelligence, etc.

2. Circular of Farben's Liaison Office Wehrmacht, 4 December 1936, Concerning the Maintenance of Secrecy

Confidential

I. G. Farbenindustrie A.G., Vermittlungstelle W

4 December 1936

Instructions for maintenance of secrecy for processes, patents, and "know-how" of the chemical industry

The increasing importance of military economy has caused the government to issue new and stricter directives about keeping secret important military economic matters. (See enclosed 3 pages of penal regulations.)

Up to date, it has been impossible to get official directives which specify the products, processes, and installations to be kept secret in the field of the chemical industry. Up to now, the responsibility for the right procedure has been exclusively that of the industry, which in case of doubt had to consult the Reich War Ministry.

From the experience acquired by the Vermittlungsstelle W of I.G. Farben during the last year in their contact with various authorities, the following approximate directions for the internal sphere of IG can be given:

In principle, the authorities (Reich War Ministry) order that such processes, patents, and "know-how" which concern the production and use of materials of war- and armament-importance, should be kept secret. This specification also includes such products as are furnished by industry as finished goods immediately to the Army, such as implements of war, explosives, war gases, special motor fuels and lubricants, as well as such materials as are important raw materials and preliminary products for the production of the above-mentioned finished goods.

The keeping secret of new methods in the above-mentioned fields is necessary in any case, if either completely new, up to now unknown materials are produced, or if already-known products can be manufactured in considerably improved quality. Furthermore, a new method could be subject to secrecy if, through it, the self-sufficient military economic power of a possible enemy in case of war were considerably improved; that is, if an existing lack of raw material for the production of a war-important product in the country concerned is removed by the new methods.

In all such cases, the procedure is to be kept secret and it has to be decided together with the authorities whether and to what extent the process can be released for open production. The obligation for secrecy applies to patent applications which in case of

secrecy cannot be made, as well as for processes which can no longer be patented, and for "know-how" about specific methods of already-known processes. The obligation for secrecy also includes unfinished processes, where it cannot yet be foreseen whether in their further development the above characteristic will appear.

The decision as to whether secrecy is necessary or not will be a matter for the authorities through Vermittlungsstelle W. It has been proved unsuitable to contact directly the various Army Ordnance Officers which are interested in the procedure concerned, but in such cases the Military Economics Staff of the Reich War Ministry should be consulted. This office is competent for all sections of the Wehrmacht and consults the various ordnance offices of the Army, Air Force, and Navy, which are always only competent in their own fields.

The decisions of the Military Economics Staff also take into consideration the interests of national defense as well as the economic interests of the industry. If a new process or a new product is declared as secret, it does not prevent us from applying for open treatment again later on if we justify it.

Procedures, which do not contain any new material of war importance; do not contain any improvement of the quality of any war-important material; do not change considerably the basis of raw material in war-important material, but which concern only a more economical production of war materials, are in general not subject to secrecy.

This concerns especially the preliminary and intermediate products for war materials.

It can, however, also become necessary for purely economic improvements to be declared secret as regards foreign countries, if those methods cause a considerable saving of labor and through the release of a certain amount of workers (that is, several thousand) the military economic power of a country is increased.

Signed: DIEKMANN

3. Circular of Farben's Liaison Office Wehrmacht, 12 March 1937, concerning counterintelligence

Confidential

Re: counterintelligence [Abwehr]

The increasing cooperation of various IG offices with parts of the Wehrmacht and with other state agencies makes it necessary, with a view to the intensified regulations of the law about treason, to refer to the following points:

I. Secret patents (par. 8 of the Patent Law of 5 May 1936)

After notification from the Wehrmacht that a patent application is subject to secrecy, this patent registration and the diagrams and files belonging to it, et cetera, become a *state secret,* according to paragraph 88 of the Penal Code; the secrecy of which patents is *"in the interest of national defense"* and which are to be protected as regards intelligence.

Therefore the plant counterintelligence agent is to be informed by the responsible official of the patent department of such processes which are subject to secrecy; the inventor and other persons having knowledge of the secret are to be registered.

The counterintelligence agent has to see to it that everybody concerned is sworn to secrecy and that the documents and other reference material concerning the process are safeguarded.

In general, however, it is not sufficient to wait for instructions from the Wehrmacht, as the time from the preliminary work to the application to the Reich Patent Office and the declaration of secrecy by the Reich War Ministry may be very long. As a precaution, the security classification should not only be restricted as a *plant* secret, but more extensively as a *state* secret in the sense of paragraph 82 of the Penal Code, with regard to all such work as may be considered for patent application. This should be observed as soon as it is possible to judge, either from past experience or, as probable, that the Wehrmacht may possibly issue notification for maintenance of secrecy—this should already be applied to all the preliminary work (experiments, negotiations, reports, and other reference material, et cetera) so that later on no justified reproach of negligence can be made. Accordingly, these security measures have also to be taken with regard to inventions and compositions which are not to lead to a patent registration or which are not patentable.

As the fields of work covered by this cannot be specified in general, it will be a matter for the plant officials to find them out in joint conferences with the scientific laboratory, the plant managers in question, the patent department, and with the counterintelligence agent. In cases of doubt, Vermittlungsstelle W is available for information.

If the Wehrmacht should issue a declaration for secrecy—against our expectations and on applications which we felt would not need to be secret—the security classification will have to be applied subsequently.

Should the secrecy notifications not be made by the Wehrmacht according to paragraph 1, the special obligation for maintenance of secrecy becomes unnecessary.

II. Experimental and development work for the Wehrmacht

All persons working together with Wehrmacht offices on the development of new materials and processes which are of importance to national defense, have to be informed in every case about the secret character of their work. This can also concern state secrets, the maintenance of secrecy of which is necessary in the interest of national defense (par. 88, Penal Code). The "fact that there is collaboration" with Wehrmacht offices and the fact that work is being done in a specific field, can be such a state secret itself.

On various occasions it has been proved that offices of the Wehrmacht consider it a matter of course that IG officials dealing with the matters concerned are sworn to secrecy, although our chemists and engineers have had no idea about the necessity for maintaining secrecy about the information they have received and about their legal obligation for secrecy.

III. Planning work

Of late, the planning work of IG offices for the Wehrmacht and for the Reich Economics Ministry (economic mobilization) as well as for the Office for German Raw Materials and Synthetics (Four Year Plan) has taken on greater proportions. This planning work also often brings with it information which demands the same secret handling as direct Wehrmacht questions; here too, the persons of the various works who are concerned have to be informed as regards counterintelligence about the confidential character of the information they receive.

IV. Security Measures

In the three previously mentioned fields, processes subject to secrecy are concerned of which the counterintelligence agents must absolutely be informed. In works with special counterintelligence agents, the counterintelligence measures have to be taken by them, whereas for the other IG works and IG offices, this will be a matter for the counterintelligence agent of Vermittlungsstelle W, Department A, to deal with separately, in agreement with the various plants.

Apart from other intelligence measures, general instruction of IG employees who are active on inventions or in spheres of work described under 1–3, will be advisable. This instruction must include the present regulations of the law, especially paragraph 88, Penal Code on state secrets (as opposed to the general office and plant secrets), criminal negligence, and the law for the amendment of the Penal Code of 2 July 1936, re paragraphs 353 b and 353 c of the Penal Code concerning persons to whom the pledge applies particularly.

Those instructions can be given by the counterintelligence agent or by his deputy in the form of short repeated lectures and instructions.

These precautions are not only necessary for efficient protection against espionage and treason, but also, according to our own experience, for the protection of the IG employees concerned against eventual legal prosecution for negligence.

12 March 1937

PARTIAL TRANSLATION OF DOCUMENT NI-6382
PROSECUTION EXHIBIT 158

EXTRACT FROM THE MINUTES OF A MEETING OF THE TECHNICAL MAINGAU MANAGEMENT OF 28 NOVEMBER 1938

[The defendants Lautenschlaeger and Jaehne, among others, are shown to be present by the minutes]

* * * * * * *

Lautenschlaeger discusses the *minutes of management meetings of other works:* Dr. Brill has been entrusted with the direction of the exchange of knowledge in the field of physics in place of Professor Grimm. Dr. Kayser (Bitterfeld) is going to Vermittlungsstelle W in place of Neumann — the employment of foreigners must be avoided at all costs.

[Handwritten] Schrauber

* * * * * * *

PARTIAL TRANSLATION OF DOCUMENT NI-6084
PROSECUTION EXHIBIT 2111

EXTRACTS FROM THE MINUTES OF THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE ON 12 MAY 1939

[The defendants Haefliger, Mann, Oster, and von Schnitzler, among others, are shown to be present by the minutes.]

* * * * * * *

6. *Employment of foreigners by the IG*

There is agreement that, in principle, no foreigners shall be employed at the central agencies. As far as such foreigners are concerned who are to be trained in the use of our products, each case will be decided on its merits as to whether employment is possible. (See point 11 of Commercial Committee memorandum of 10 December 1937.)

Berlin, 19 May 1939

FF/ED 22/39

Signed: VON SCHNITZLER

Signed: FRANK-FAHLE

PARTIAL TRANSLATION OF DOCUMENT NI-10455
PROSECUTION EXHIBIT 960

FILE NOTE OF DEFENDANT TER MEER, 21 MARCH 1938, CONCERNING A DISCUSSION WITH MILITARY AND GOVERNMENT REPRESENTATIVES ON THE DEVELOPMENT OF BUNA AND FURTHER DEALINGS WITH AMERICAN COMPANIES*

Present: Brigadier General Loeb
Ministerialdirigent Dr. Mulert
Dr. Eckell
Dr. ter Meer

Subject: Action taken in the U.S. concerning buna

Dr. Eckell, who had been informed about the request of the Goodyear Co. for granting an exclusive license for our buna patents in the U.S.A. as well as about the Goodyear Co.'s report on investigations concerning buna and about that firm's own polymerization experiments, had already reported on the status of these matters to Brigadier General Loeb. I, in turn, described at considerable length the factual situation in the U.S.A.

The problem of making the American rubber goods industry independent of the regular supplies as they were being received from English and Dutch colonial plantations, has been in existence already since the first postwar years. Henry Ford's Hevea plantation attempts in the State of Para (Brazil) are known; so are the Firestone Co.'s plantations in Liberia, and the acquisition of important caoutchouc plantations in the Dutch East-Indies by the U.S. Rubber Co., Goodyear, and the Manhattan Rubber Co. Germany's going in for large-scale manufacture of buna-S, the realization abroad, especially in the U.S.A., that buna-S is a suitable tire rubber and, finally, the possibility — as it presented itself to the U.S.A. — to produce buna-S at prices approximately equal to the average price of natural rubber, created an extraordinarily great interest in America for the whole problem. Conferences which up to now had the sole object of easing the minds of American interested parties and possibly to prevent an initiative on their own part within the frame of butadiene rubber, were held with Standard, Goodrich, and Goodyear. We are under the impression that one cannot stem things in the U.S.A. for much longer without taking the risk of being faced all of a sudden by an unpleasant situation and endangering the full benefits from our work and our rights.

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* This file note was attached as enclosure 1 to a letter Defendant ter Meer sent to Defendant Krauch on 15 January 1942. In the transmittal letter Defendant ter Meer stated that "The report which I dictated on the basis of this discussion is attached as enclosure No. 1."

The patent situation in the U.S.A. was described in brief outline. Our copolymerization patents (buna-S and N) are very strong and do not expire until 1950 and 1951, respectively. We have, furthermore, the tire patents for butadiene rubber. Therefore, as long as American experiments — which as we know very well are being carefully carried out by such important firms as Goodyear and Dow — remain within the above-mentioned patent sphere there is no danger. It is, however, not entirely unlikely that by using new agents which polymerize types of rubber, technical applications might be developed which are no longer covered by our patents, in which case the question of whether dependent or not will lead to legal uncertainty. In the past it has happened repeatedly that infringements by big American concerns occurred, involving economically very important fields of patents, which resulted in very expensive patent lawsuits lasting for years. In view of our foreign exchange situation, no argument is needed to prove the difficulties arising merely in carrying on such a patent lawsuit; but it is more serious still that while such a lawsuit is on, the consummation of favorable license agreements with third parties cannot be effected. Because the duration of patents is limited, and because lawsuits, until they have been passed on by the highest instances, may take many years, one may well fear that all of our patent property loses its value completely.

American patent law does not make licensing mandatory. It would nevertheless be conceivable that because of the extraordinarily great importance of the rubber problem for the U.S.A., and because tendencies of rearming are very strong there too, as are the efforts to decrease unemployment, et cetera, a bill for a suitable law might be submitted in Washington. We therefore treat the license requests of the American firms in a dilatory way so as not to push them into taking unpleasant measures. In all other respects, this is somewhat counterbalanced by our relations with Standard Oil and our acquiescence, in principle, to line up with Standard Oil in the first place, as the supplier of raw materials, in the event of an exploitation of our rubber patents in the U.S.A.

Then the American raw materials situation was gone into at length and a description given of large-scale production of butane as it has been developing in the U.S.A. since 1926–1928 and of the new industry arising by the production of polymerized gasoline. Because isobutene can here be used to advantage, huge quantities of normal type butylene are available for the production of butadiene, which according to calculations made known to us, lead to the expectation that the butadiene price in U.S.A. will be approximately RM 0.50 per kg. Because all necessary prerequisites

for cheap styrene also are given for the U.S.A., one can expect that, depending upon the order of quantity and including amortization, a cost price of less than RM 1 can be obtained for buna-S in U.S.A. The differences in evaluation existing between the U.S.A. and Germany as applied in the exploitation of butane were thoroughly discussed. It was further announced that we are working in Oppau and in Leuna on two different processes for the production of butadiene from butane or butylene, respectively, which presumably will be ready for final investigation in the fall of this year.

Then the possibility to halt the development in the U.S.A. through strict reserve on our part was discussed in detail, especially with a view to preserving secrecy in regard to other countries. The four-step process was published years ago. Du Pont has unrestricted control of the two-step process all over the world. Butadiene, obtained through certain types of oil cracking processes, is already within reach for the U.S.A. in appreciable quantities. Work on producing butadiene from butane and butylene is being done by firms commanding important positions, such as, among others, Standard Oil. Sodium polymerization is not covered by patents. Mixed polymerization according to the emulsion process is described in the respective patents. Next to Germany, America is the country which has the most exact knowledge concerning the field of polymerization. Processing questions such as splitting up, softening agents, etc., are matters with which American rubber manufacturers are at least as familiar as German manufacturers. In view of such conditions an attempt to hold back the development of things in U.S.A. by affecting secretiveness would mean nothing else but indulgence in illusions.

Finally, there was reference to a remark not devoid of significance, as made by Mr. Howard of Standard Oil, on the combined effect of all factors. The unfriendly, to some extent even hostile, attitude of the American Government and of wide circles of American industry as regards German developments since 1933 is known. Fulfillment of the American dream for independence as regards natural rubber would make the deepest impression on the above-mentioned circles; it would constitute a tremendous increase of prestige for Germany and, possibly, might serve to improve the difficult trade relations between U.S.A. and Germany.

After a thorough discussion of all of the above viewpoints which Ministerialdirigent Dr. Mulert endorsed whole-heartedly, Brigadier General Loeb declared there exists a chance that one might comply with our proposal to consider initiation of negotiations in the U.S.A. for the fall of 1938. This would be contingent, however, according to him, on the stipulation that our German

work on Buna II and III* would in no way be slowed up thereby. The Economics Ministry will negotiate along these lines with the other pertinent agencies in Berlin.
Frankfurt/Main, 21 March 1938

PARTIAL TRANSLATION OF DOCUMENT NI–4669
PROSECUTION EXHIBIT 166

LETTER FROM FARBEN'S LIAISON OFFICE WEHRMACHT TO DEFENDANT VON KNIERIEM, 8 JUNE 1939, TRANSMITTING A PRESENTATION ON THE DEVELOPMENT AND EXPERIMENTAL WORK OF FARBEN UPON WEHRMACHT ORDERS OR IN CONJUNCTION WITH WEHRMACHT OFFICES

1. Letter of 8 June 1939

I.G. Farbenindustrie Aktiengesellschaft, Vermittlungsstelle W
To: Director Dr. von Knieriem
I.G. Farbenindustrie A.G.
Ludwigshafen/Rhine

Berlin NW 7
Unter den Linden 82
Local calls 12 0021
Long distance 12 6401

Secret

Our ref: Dr. Di/Sch

[Rubber stamp]
Office of Secretary of Dr. Buhl
Received: 9 June 1939
Answered:

Berlin, 8 June 1939

Subject: Development and research work of IG done on Wehrmacht orders or in conjunction with Wehrmacht offices

In compliance with your request made at the meeting of the Patent Commission on 4 May 1939, we are enclosing a presentation of the development and experimental work of IG done on Wehrmacht orders or in conjunction with Wehrmacht offices.

As agreed, we have attempted to give merely a presentation of the methods until now practiced in the above sectors, without suggesting uniform directives for the multiplicity of dissimilar cases as well as the varying procedures of the individual Wehrmacht offices placing orders, or the IG offices executing the orders.

Besides the legal and patent law aspects, we have, for the sake of better understanding, given a short description of the origin

* Buna II refers to the buna plant at Huels, while Buna III is the Ludwigshafen buna plant.

and execution of the orders for work on development, and in this connection have briefly touched on the construction and putting into operation of Reich-owned shadow factories.

Assuming you are in agreement, we have forwarded the above presentation to the IG offices named in the enclosed distribution list for their information. We enclose additional copies for your own use in case you desire to pass on the information to other offices, such as the managements of the large IG plants.

[Rubber stamp] *Registered!*

Enclosure

Vermittlungsstelle W
[Signed] DIEKMANN
[Signed] GORR

Distribution List

I. G. Farbenindustrie Aktiengesellschaft	
Director Dr. von Knieriem	Ludwigshafen
Legal Department	Ludwigshafen
Legal Department	Leverkusen
Legal Department	Frankfurt (Main)
Legal Department	Merseburg
Patent Department	Ludwigshafen
Patent Department	Hoechst
Patent Department	Leverkusen
Patent Department	Wolfen-Film
Patent Department	Bitterfeld/Wolfen—Farben

Management Office of Sparte I, Oppau
Office of the Technical Committee, Frankfurt (Main)
Vermittlungsstelle W, Sparte III, Wolfen—Film
Director Dr. Krauch, Berlin-W 9
Director Dr. ter Meer, Frankfurt (Main)
Director Dr. Gajewski, Wolfen—Film
Director Kraus, Frankfurt (Main)

2. Presentation of the Development and Research Work Carried out by Farben Upon Wehrmacht Orders or in Conjunction With Wehrmacht Offices

I. G. Farbenindustrie A.G. 2 June 1939
Liaison Office W

Development and research work of the IG ordered by the Wehrmacht or in conjunction with various Wehrmacht departments

I. *Origin of the orders to carry out developmental work*

Present extent of the joint research work and distribution among the various Wehrmacht departments.

II. *Accomplishment of the joint developmental work* of Wehrmacht and IG departments

III. *Assessment and refund of research expenses*

Work done and samples supplied for guidance of customers;

major work done in IG-owned and Wehrmacht-owned research installations; apportionment of expenses on finished products and so-called developmental prices; IG directives from Frankfurt dated 27 May 1938.

IV. *Patent rights arising from joint developmental work*

Need for secrecy in regard to new discoveries; loss sustained through failure to utilize patent rights.

V. *Reich-owned installations and/or shadow factories and developmental work*

[Rubber stamp]

Secret!

I. *Origin of the orders to carry out developmental work*

In the past few years, developmental and experimental work in the IG plants carried out at the order of the Wehrmacht or in conjunction with Wehrmacht departments, has assumed increasingly larger proportions. This is traceable on the one hand to the fact that the Wehrmacht is being confronted by an ever increasing number of problems of a technical or chemical nature, which the engineers and analytical chemists of the Wehrmacht departments cannot tackle with the equipment at their disposal in their own research stations; and on the other hand, to the fact that the Wehrmacht has become, directly or indirectly, a wholesale customer and buyer of IG products on an ever-increasing scale, and that a considerable number of problems has arisen from this supplier-buyer relationship between Wehrmacht and IG.

While 3 or 4 years ago only isolated sections within the IG were engaged on work concerning Wehrmacht problems, at present there is experimental work in progress in almost all major IG plants, which is being carried on either directly at the order of the Wehrmacht, or in which the Wehrmacht is taking an active part, either due to the particular nature of the problems in question or through providing experts to participate in the work.

Apart from a few isolated cases in which certain leading personalities of the IG were approached directly, the various Wehrmacht departments, in particular the developing and testing stations, almost always communicate their orders and inquiries, insofar as they are of the chemico-technical nature, to the Liaison Office W in Berlin. The Liaison Office W then passes the inquiry, insofar as it cannot be answered on the spot, to those departments or plants of the IG which appear to be best suited for dealing with the respective Wehrmacht problems, or are already working on these or similar subjects.

The fact that the Wehrmacht is a wholesale buyer of IG prod-

ucts accounts for the large quantity of the experimental and developmental work which has been placed with the IG. Quite a number of problems were dealt with independently by IG departments, and it was not until later, when the experiments had yielded certain results, that Wehrmacht departments were interested in these problems. Above all, and in many cases on their own initiative, IG concentrated on and drew the Wehrmacht's attention to problems which promised to be of importance to private enterprise, such as a subsequent wholesale market for articles, production of which could be initiated whenever necessary, or production processes which were likely to be taken over by the Wehrmacht. There are comparatively few cases in which the Wehrmacht on their own initiative, that is, independent from previously supplied IG products and suggestions, approached the IG with a particular problem to be solved by experimental work. Summing up the present state of the experimental work done by IG departments on behalf of the Wehrmacht, it may be said that there are approximately 80–100 analytical chemists and engineers engaged in scientific and technical experiments (partly secondary work) on 50–60 Wehrmacht problems; about half of all problems are posed in connection with the delivery of IG products; about 30–40 percent of the problems reached the Wehrmacht after having originated with the IG, and only about 10–20 percent of the problems were presented by the Wehrmacht directly to the IG in more or less definite form. At least the same number of academically trained research workers with an even larger staff of associates are active in planning and designing departments, as well as in the constructional departments of the IG, for the experimental installations of the Wehrmacht, not including the number of IG scientists actively engaged in the Four Year Plan and in the preparation for the mobilization.

II. *Accomplishment of the joint developmental work*

Problems of a chemico-technical nature which the Wehrmacht installations propound to the IG and which the Liaison Office W cannot solve directly from its own experience, are being dealt with in a variety of ways according to the particular nature of the problems involved. In many cases, the required information or experts' reports can be supplied at once by the IG plants or other competent IG departments without any experimental work proper being required; or else it may be possible to supply developed material as samples for the Wehrmacht installations to solve the problems by themselves in their own research and development stations. In many cases, small-scale laboratory experiments involving a minimum of expenses will be sufficient to solve

expeditiously the problem in a few days, employing only one analytic chemist and one laboratory assistant.

In many cases, however, it takes weeks or months, or even years, of experimenting; a large staff of scientifically and technically trained experts has to be employed; large sets of laboratory appliances and even whole production units have to be made available for tackling and solving the problem. In the case of such major tasks, cooperation between the Wehrmacht and IG departments involved is mostly effected by holding conferences and inspections at regular intervals, say every month, and by applying and testing the objects of developmental work; for instance, new substances or special products or implements [are studied], in the Luftwaffe test stations or on the training ground and rifle ranges of the Army, until they are finally adapted for general use or else rejected.

Although the cooperation of the Wehrmacht, in particular of the development stations of the Wehrmacht branches, in this experimental work cannot be dispensed with if reliable results are to be obtained, and even though the analytical chemists and engineers of the Wehrmacht are frequently very active in their cooperation, it can hardly be denied that so far as creative developmental work and inventive achievement are concerned, the emphasis will always be on the performance of the IG research workers.

III. *Computation and refund of research expenses*

The methods by which the Wehrmacht refunds the expenses incurred in experimental work and development orders to the IG vary considerably. It has been repeatedly emphasized by the High Command of the Wehrmacht that the IG has to operate on the principles of private enterprise and is therefore entitled to make a certain, if limited, profit on top of the net prime costs; not only out of the delivery of products, but also out of other services, for instance construction of Wehrmacht installations and the carrying out of development orders. Within the Wehrmacht branches themselves, there appears to exist no uniform directive for dealing with such development orders. In a general way it may be said that the work done in conjunction with the Reich Air Ministry and its test stations at Rechlin, Adlershof, Goettingen, etc., has so far been treated more generously than the work which was carried out jointly with development stations of the Army, in particular with the Army Ordnance Office, and the Navy.

Minor inquiries from Wehrmacht branches requiring only a small amount of laboratory work were, in a majority of cases, charged to the Wehrmacht unless these jobs did exceed a certain volume of expense; for instance, several hundreds of reichsmarks.

Similarly, small quantities of specimens and samples of IG products to be tested in Wehrmacht test stations for certain new purposes were mostly supplied free of charge by the IG, particularly when there was a chance of a regular sale resulting later on from the supply of such samples. Thus, in supplying small quantities of samples and doing small-scale laboratory work free of charge, we are carrying out the usual policy of servicing customers.

Furthermore, the IG could not demand of the Wehrmacht a refund of expenses incurred in carrying out experiments which the IG started on the initiative of their own analytic chemists and engineers, and in which they did not interest the Wehrmacht until at a later time, unless the Wehrmacht showed real interest in the experiments and was prepared to place development orders. For the rest, IG had to bear the contractor's risk with respect to experiments of this kind.

The Reich Air Ministry placed the majority of its development orders in the fuel (aviation gasoline) and lubricants category. In these two fields, the IG had become wholesale supplier of products to the Reich Air Ministry. The many problems arising from the progressive development of the Luftwaffe, particularly in the sphere of motor design and, consequently, of fuel and lubricants, have brought about a very close cooperation between the development stations of the Reich Air Ministry and those of the IG, above all at Oppau, Merseburg, and Ludwigshafen, as far as the development of new special kinds of gasoline and special lubricating oils for aircraft motors is concerned. So far, the expenses incurred in these experiments, insofar as they are outside the range of experiments for the normal progressive development of IG processes and products, could be met by means of what is called "development prices" which the Reich Air Ministry was prepared to pay in each case when receiving and testing the newly developed materials. In most cases, only those analytical chemists and engineers of the technical installations of the Reich Air Ministry who worked directly with us in a technical capacity took part officially in fixing these development prices, which often were a multiple of the prices quoted for a similar article turned out regularly in mass production, without obligation to give an itemized account of the expenses which the IG incurred in carrying out the experimental work. Such material quoted at development prices was frequently turned out by the dozen, ranging from several tons to tankcarloads, varying both the manufacturing processes and the quality and composition of the substances in every possible direction.

The technical chemical problems of the Army are almost exclusively worked out by the Army Ordnance Office and its various

departments for development and testing. This also frequently involves the discovery and development of new materials and products which the Wehrmacht is regularly supplied with later on, thus permitting the costs of development to be charged to Wehrmacht expenses. But in many cases they deal with processes and manufactures which are expressly intended to be kept in reserve; that is, the processes or products are developed to the point where they are ready for production and manufacture, but they will be produced and actually employed only in case of war.

If the Army branch of the Wehrmacht puts a problem before IG and it is obvious from the first that the problem cannot be solved within a short time and at small expense, the Liaison Office W, together with the IG department which is to carry out the research work, will in most cases make an estimate of the expenses for the experiments and submit it to the branch of the Armed Forces which is presenting the problem. Then the Army can decide whether the solution of the problem appears important enough to assume the expenses and issue the order for its development, or else reject it.

Since on many occasions the preliminary estimate of research costs proved useful for the smooth development of experimental orders, in one case, in which nearly all branches of the Armed Forces had expressed an interest and had issued experimental orders, an attempt was already made during a conference, on 24 May 1938 at Frankfurt, with Director Krauss to draw up uniform instructions within the IG covering experimental orders for which a cost estimate was to be submitted to the branch of the Armed Forces presenting the problem. (See enclosure, file note from Frankfurt of 27 May 1938.) *

In a good many IG factories there are experimental plants which were erected for carrying out research orders of the Armed Forces, and which have been paid for either totally or in part with state funds. In cases where such experimental plants represent fairly large investments—for example, more than RM 100,000—IG frequently binds itself to keep such plants in good repair, even beyond the actual duration of the experiments, or takes over part of the plants at their current value or even at scrap value, after the completion of the experiments.

In case larger experimental plants for Army purposes were financed *by IG* they tried, if possible, to write off the expenses for such plants within a short time by delivering the experimental products with suitable price increases, as already mentioned in connection with the orders of the Reich Air Minister.

It has also repeatedly happened that experimental orders were

* Not reproduced herein.

given to IG without having determined in advance the cost of carrying out such experiments. Then the expenses incurred were figured up afterwards and a claim for repayment submitted to the Armed Forces. In most cases, the Wehrmacht department concerned unhesitatingly approved and repaid the experimental costs quoted by IG; in a few cases, however, the Wehrmacht departments objected to the experimental costs subsequently estimated by IG, so that it later became necessary to itemize the costs exactly, give reasons for the same, undertake negotiations about them, and, in part, even make deductions from the original amount of the claim.

The Navy branch of the Armed Forces and its experimental departments have in general adopted the practice of the Army with regard to issuing, carrying out, and figuring experimental and development orders, which up to now have not been so numerous. A case in the Leverkusen plant, where a new smoke-screening device was originally developed on the initiative of the factory chemists themselves and then later taken over by the Navy and placed in general use, represents a special case, inasmuch as this device is manufactured and supplied by a third firm; and when fixing the price of this device and offering it for sale they forgot to figure a royalty into the price of this device which might have covered IG's expenses for the experiments, and possibly also a suitable profit from Navy orders. When IG subsequently put in a claim for the costs of the experiments, the Navy recognized only part of the costs (RM 11,400 out of RM 40,000) as subject to reimbursement. Negotiations are still pending for the granting of a patent royalty.

IV. *Patent Rights Arising from Joint Experimental Work*

From the joint experimental and development work between IG and the Armed Forces there have also resulted patentable inventions and new discoveries; and patent rights which are also applicable to other fields but which often have to be handled with secrecy for reasons of national defense. Of the approximately 500 patents which were submitted to offices of the Armed Forces during the last 2–3 years for examination as to secrecy, more than half were connected with fields in which joint experimental and development work is being carried out between IG and offices of the Armed Forces. In all these applications IG appears as the applicant and assumes all the rights and obligations connected with the applications. If an application leads to a patent, this will be handed over to the Reich as trustee in case secrecy is required, while the patent rights continue to remain exclusively with IG.

The representatives of the Armed Forces have, as already mentioned, an almost negligible share in the registered inventions. Up to now departments of the Armed Forces have participated in an inventive capacity in only a very few of the several hundred new applications, and only 2 members of the Armed Forces (in 4 cases) have claimed recognition as coinventors. Although perhaps, in some other cases, the Armed Forces might be considered as a coinventor, in that, for example, by the way they present their problems they acquire a position similar to that of the factory or laboratory directors in our plants—in contrast to the chemist who is actually working in an inventive capacity—nevertheless no department of the Armed Forces has even claimed an equal share in an invention.

Neither have we ever been requested as yet to pay compensation for the contribution made to an invention by a state agency when patentable protected rights resulted from cooperation between IG and the Armed Forces. Only in discussions on price questions have the representatives of the Armed Forces occasionally mentioned that any cooperation by the Reich in preparing the inventions and protected rights to be patented should be taken into consideration when fixing the prices for IG products which are supplied to the Armed Forces, in case royalty fees should be figured in with these prices. Likewise, there has never been any question of the authorities sharing in the profits when third parties were supplied with IG products which had been jointly developed by IG and departments of the Armed Forces.

The High Command of the Wehrmacht, the Military Economics Staff, has frequently pointed out in discussions with respect to the necessity of keeping patent applications of IG secret—whether or not these patents resulted from the joint experimental work of the IG with the Armed Forces or from IG's own initiative—that the Wehrmacht is prepared to indemnify for, and underwrite, any damages arising from this enforced secrecy or arising from the fact that these patents cannot be exploited. We were asked to consult with the Military Economics Staff as soon as damage occurs in such a form and to such an extent as can be proved and estimated. On our repeated inquiries at the competent IG offices, however, we were told every time that it was impossible to prove that IG had incurred any clear or definite damage through the practice of secrecy hitherto employed.

V. *State-owned Production Plants, or "Shadow Factories," and Development Work*

IG has constructed, or helped to construct, quite a few fairly large production plants for the Armed Forces, which after completion are either put into operation for current orders of the

Armed Forces, or else are only guarded and kept in good repair in peacetime as so-called "shadow factories" without current production, so that production can bestarted immediately in case of emergency. Such production plants have been erected by IG upon the order of the High Command of the Armed Forces or its dummy enterprises, such as the Economic Research Corporation (WIFO), as well as by order of the Reich Air Ministry and the Army Ordnance Office. Since sometimes these plants represent investments of many million marks, a formal agreement has nearly always been made between the office of the Armed Forces which gave the order, and IG, both for construction as well as for maintenance or operation.

In case processes are employed in Wehrmacht plants which were discovered through IG's experimental and manufacturing work, in part at the expense of considerable means, in several cases the Armed Forces granted a sort of additional royalty fee to IG apart from the normal reimbursement of expenses, including a limited profit. If the plants have a purely stand-by character, that is, will start production only in case of emergency, and for the time being it is not possible to apply the royalty to the manufactured products, the government authorities have granted such a royalty only if what the IG had learned affected not only the production costs but also the expenses for the establishment of the plant, so that the government authorities thereby had saved a considerable amount of money through the reduction in the cost of constructing the production plant. By way of example, 2 nitric acid plants of the WIFO which have been put into operation pay a regular royalty (corresponding to their present production figure of about 100,000 RM per year), while in the case of 2 other similar shadow plants, only a part of the savings effected in the costs of construction, RM 135,000 and RM 75,000, was separately repaid.

In case new discoveries and practical knowledge are obtained through the operation of state-owned plants by IG, which possibly may also lead to patent rights, it has been considered as self-evident up to now, although never laid down in writing, that these patent rights as well are exclusively vested in IG as plant manager of the state plant. The government authorities have declared on repeated occasions that the state-owned plants also ought to get the benefit of such new discoveries and practical factory knowledge; that is, it is expected that IG will keep those state-owned plants up to date and in good repair, which are operated by them or under their sponsorship as stand-by plants, according to the latest state of technical progress (in return for a suitable reimbursement of expenses).

Just as in the entire question of handling experimental orders issued by the Armed Forces, the Liaison Office W has paid primary attention to the fact that to a constantly increasing extent the Armed Forces are large-scale customers and buyers of IG products; so likewise in the construction of production plants and shadow factories for the Armed Forces, IG has seen its chief interest to be in maintaining control over the production capacity of such plants and any influence they might exert on their respective markets, that is, to take over the factory management of the state plants itself in case they should be put into operation.
Enclosure

TRANSLATION OF DOCUMENT NI–10447
PROSECUTION EXHIBIT 958

CORRESPONDENCE FROM THE FILES OF THE HIGH COMMAND OF THE ARMED FORCES, 25 JANUARY TO 8 FEBRUARY 1940, CONCERNING EXCHANGE OF KNOW-HOW WITH FOREIGN COMPANIES ON MINERAL OIL DURING THE WAR

1. Letter of Defendant Buetefisch to the High Command of the Armed Forces, 25 January 1940, Attaching a Memorandum Agreed Upon With General Thomas

Dr. Heinrich Buetesfisch
Vorstand member of I.G. Farbenindustrie
Aktiengesellschaft

[Handwritten notes]

[Handwritten] 130
Raw Materials Dept.

[Initial] Th [for Thomas]
Field Marshal Goering for decision
Leuna Works, near Merseburg
25 January 1940

To Colonel Becht
High Command of the Armed Forces, Branch Office I
Berlin W, Kurfuerstenstr. 63

Dear Colonel,

Attached I am sending you the file memo agreed upon with General Thomas and would ask you to pass this note on to the General [Thomas].

Enclosure

Heil Hitler!
[Signed] BUETEFISCH

[Handwritten note:] Agreed!
[Handwritten Note] Director Dr. Buetefisch is responsible that nothing of military or defense-political importance gets abroad.

[Initial] TH [for Thomas]
30 January 1940
[Signed] GOERING

There are agreements and arrangements between the German production companies (I.G. Farbenindustrie A.G. and Ruhrchemie) and the large oil companies such as Standard Oil, Shell, et cetera, with regard to mineral oil. Among other things, these agreements provide for the exchange of know-how with regard to mineral oil between the parties to the contract.

This exchange of know-how, which is still being handled in the usual way by the neutral countries abroad even now and which is transmitted to us via Holland and Italy, first gives us an insight into the development work and production plans of the companies and/or their respective countries, and at the same time informs us about the progress of technical developments with regard to oil. In these know-how reports, drawings and technical details about the most varied subjects are passed on to us. The contractual obligations mean that we, too, must make our experience with regard to oil available abroad within the framework of the agreement. Up to now, we have carried out this exchange of know-how in such a way that from our side we have only sent reports which seemed unobjectionable to us after consultation with the OKW and the Reich Ministry of Economics and which contained only such technical data as concerned facts which are known or out of date according to the latest developments. In this way we have succeeded in handling the agreements in such a way that in general the German economy remained at an advantage.

In order to maintain the contact with neutral countries abroad and the oil companies located there, we consider it expedient to continue this exchange of know-how in the form drawn up, retaining, on our part, the guiding principle that under no circumstances must any know-how of military or military-political importance get abroad in this way. In all cases of doubt, contact with the Reich offices concerned must, therefore, be made.

A decision must be reached on whether or not the exchange of know-how should, on principle, be continued.

Berlin NW 7
25 January 1940 [Initials] BUE [for Buetefisch]

2. Letter from General Thomas to Defendant Buetefisch, 6 February 1940, Concerning the Maintenance of Secrecy Necessary for National Defense in Continuing the Exchange of Know-How

High Command of the Armed Forces
Wi Rue Amt/

Secret

File 66b 9030; No. 775/40g

To Dr. Buetefisch
Vorstand member of I.G. Farbenindustrie A.G.
Leuna Works near Merseburg

Re: Exchange of know-how with foreign companies with regard to mineral oil

Ref. Your letter of 25 Jan. 1940 to Colonel Becht with attached file memo

According to a request by the Chief of the Military Economics and Armament Office, Field Marshal Goering has stated that, in principle, he agrees that the exchange of know-how with regard to mineral oil arranged by agreement between the German production firms and the large oil companies abroad may be continued during the war, too, as sketched in the file memo referred to above.

It is, however, necessary that you yourself, in your capacity as head of the Economic Group Motor Fuel Industry as well as member of the Managing Board [Vorstand] of I.G. Farbenindustrie A.G., take over the responsibility for seeing that matters to be kept secret in the interests of national defense do not become known abroad.

The Chief of the High Command of the Armed Forces
By order:
[Initial] Th [Thomas] 6/2

After dispatch

Copy for information with reference to talk between
Oberregierungsbaurat Lehmann-Hallens and
Oberregierungsbaurat Dr. Mureck on 3 Feb. 1940
J.A.

To Rue. [Armament Office] out 6 Feb.

To the files W Ro III

3. Memorandum of Dr. Mureck, 8 February 1940, Noting Settlement of Question About Exchange of Know-How Upon Decision of Field Marshal Goering

Raw Materials Section
File 66b 9030/Ro III Berlin, 8 February 1940

SECRET

To Rue [Armament Office] No. 724/40 g out 9 Feb.

Attached we are returning the suggestions sent to us.

In the meantime the matter has been settled—as was already noted in the talk between Oberregierungsbaurat Lehmann-Halens and Oberregierungsbaurat Dr. Mureck—by the decision of Field Marshal Goering that the exchange of know-how arranged by contract between I.G. Farbenindustrie A.G. and the foreign mineral

oil companies with regard to mineral oil shall be continued. Reference is made to the copy of the letter OKW file No. 66 b 9030, Economic Armament Office/Raw Materials III No. 775/40g of 6 Feb. 1940, which you have.

By order

[Initials] Mu [Mureck] 8 Feb.

*4 enclosures**

PARTIAL COPY OF DOCUMENT VON KNIERIEM 17
KNIERIEM DEFENSE EXHIBIT 16

EXTRACT FROM AN ARTICLE IN "THE PETROLEUM TIMES," 25 DECEMBER 1943, ENTITLED "SECRETS TURNED INTO MIGHTY WAR WEAPONS THROUGH I.G. FARBEN AGREEMENT, DISCUSSED BY R.T. HASLAM, STANDARD OIL COMPANY (N.J.)"

American Business and Standard Oil's Blue Print for World Trades

Secret Turned into Mighty War Weapons through I.G. Farben Agreement, Discussed by R. T. Haslam, Standard Oil Company (N.J.)

I am a chemical engineer by profession. Like most chemical engineers I have seen strange things happen—in the laboratory and in the experimental development of new discoveries. I have had many thrills looking at what was going on in a laboratory, but scarcely ever realizing that what I was seeing was indeed a miracle.

Today I want to tell you of some of those miracles. If for no other reason, they may interest you because they are timely miracles, miracles without which we probably could not have won this war. But the most fascinating thing about them is that they are miracles which had their beginnings more than 15 years ago in the land of those same Nazis with whom we are now at deadly war. Secrets brought to America from Germany 15 years ago by American scientists have been turned into mighty weapons which today are blasting into bits the very laboratories in Germany where the key to them was first discovered.

I wish to make the story of these miracles the background for our discussion of "American Business and World Trade." They will give you an insight into an "international agreement," with which I have personally been connected, one way or another, for the past 16 years. They will make you acquainted with the living

* Enclosures were not included in the exhibit.

accomplishments resulting from the cooperative efforts of many men working long hours over long years.

Talk of Oil Shortage in 1926

It started in 1926. In September of that year the Federal Oil Conservation Board—a Board made up of the Secretaries of War, Navy, Interior, and Commerce—made a report to President Coolidge saying that America had only 6 years' supply of oil in sight.

Maybe it is because oil men are optimists, but the officials of Standard Oil Company did not agree in 1926 that all of their country's oil would run out in 1934. But when so august a body as the Federal Oil Conservation Board made such a statement, Standard decided that something should be done about it. They did two things:

First, they went to the far corners of the world to seek for oil, at the same time developing new geological methods of finding oil.

Second, they set out to find how to convert coal to oil—for there was known to be several thousand years' of supply of coal in the States.

I was a Professor of Chemical Engineering at the Massachusetts Institute of Technology, and had been a consulting engineer to the Standard Oil Company (New Jersey) for several years.

In 1927 I took a job offered me by Standard to build an entirely new laboratory at Baton Rouge, Louisiana, for the express purpose of finding a solution to the shortage by converting coal to oil. By June we had produced here in the United States petroleum from coal on a very small scale.

In the meantime there had been much talk in technical journals about how the Germans were using a new hydrogenation process to convert coal into oil. By this process a lump of coal is made to unite with a colorless gas—hydrogen—and the result is an oil exactly like petroleum. They had experimented along this line much earlier than we, because they didn't have much natural oil. In the summer of 1927 Standard sent three of us engineers to Germany to look the situation over. Our job was to decide whether that process was a success, and whether it would be commercially practical in the United States.

We went through the plants of I.G. Farbenindustrie at Leipsig [Leuna] and Ludwigshafen. In the United States at this time we had made a few small test tubes of this oil from coal in a piece of apparatus about two inches in diameter and about two feet long. In those German experimental plants I saw them carrying out this process in multiple reaction chambers, each 7 feet in diameter and 40 feet high, making gasoline from coal in tank-car quantities. This shows how far advanced the Germans were over us at that time.

As technical men, we had two alternatives. One was to spend 10 years of our lives trying to catch up with the Germans and then go on from there. The other was to buy their knowledge, bring it to America, and immediately start developments here. We recommended to the board of Standard Oil Company that they buy the knowledge. They agreed, and we gave the Germans the equivalent of about 35 million dollars.

Hydrogenation the Key to Many Miracles

That was a lot of money. And since we didn't want to be going over to Germany every 3 or 4 years, and paying a similar amount for some "new" modification or "new" improvement of this process that they might have up their sleeve, we asked them to sell us everything they might discover that could be used in the oil business—our business—during the next 17 years, or until 1947. Seventeen years is the life of the United States patents on hydrogenation we proposed buying.

"But," they argued, "while your request is reasonable, what is to prevent your using *our inventions*—or other inventions you may make as a result of the knowledge we will give you—against us in our business—drugs and dyes?" To overcome this objection we said that "while we have never yet carried out research in the drug and dye fields, and have never taken out a single patent along these lines, and have no intention of doing so; if we do, we will sell them to you at a fair figure." This agreement,* incidentally, is the basis for all the loose talk 12 years later about our having created a "cartel."

Now I want you to remember that hydrogenation process. We brought it over to the States and immediately made it available to the whole oil industry. Its acquisition by American interests was hailed in newspapers. In the 3 years it was being negotiated it was written up on 11 occasions by *The New York Times* alone. During the next 5 years we spent 15 million dollars in America in research developments on the process. We found out better and cheaper methods for making oil from coal, and if American oil wells should ever run dry the American oil industry will be ready to make out of coal the gasoline to run our automobiles and trucks and buses and aeroplanes.

This same hydrogenation process—which Germany now uses to supply over one-half her wartime use of oil—was to be the key that years later unlocked the door to a lot of miracles that we didn't dream of then. It was this very process which first provided 100-octane aviation gasoline in commercial quantities, thus en-

* This agreement, dated 9 November 1929, was known as the Jasco agreement, in evidence as Document NI–10550 Prosecution Exhibit 942. It is a long agreement and it is not reproduced herein.

abling—as early as 1936—the United States and British Air corps, the Pratt and Whitney, and the Wright aeroplane engine companies in America, and the Rolls-Royce, the Hercules, and the Bristol factories in England (but *not* the Germans) to redesign their aeroplane engines and increase their power for a given size and weight of engine by 25 to 30 percent—the edge in the air that often means victory or defeat, life or death. A British authority has stated that it was the use of 100-octane gasoline—first made commercially possible by Americans' use of the hydrogenation process—in the Hurricane and Spitfire fighters that was largely responsible for victory in the Battle of Britain—a miracle not only for the "many" who owe so much to so "few," but a miracle, too, for us here in America.

Let us shift from fuel to explosives. To me, here is another miracle—the transformation of petroleum to the coal-tar product toluol, the second "T" in TNT, the high explosive tri-nitro-toluol that is used in shells, bombs, and torpedos.

In World War I, about 95 percent of the toluol came as a by-product during the production of coke used in the manufacture of steel. Production was very limited. In spite of all America could do, we ran very short of toluol in World War I, although the use of bombs and high explosives in that war was only a small fraction of what this war requires.

Today America and her allies have huge quantities of toluol, thanks to the help of the very oil hydrogenation process that Germany originated.

In 1933 we first discovered this application; 6 years later, after working steadily with the War Department from that time on, and unknown to the IG or any other company, *the first tank car of synthetic nitration-grade toluol ever made in the world* was shipped from our refinery at Baton Rouge, Louisiana, *16 months before World War II broke upon us.*

From a Little Bottle Labelled "Oppanol"

Very promptly after, a large plant was built for the Ordnance Department, which went into production 1 month *before* Pearl Harbor. Since then this plant has operated continuously at over two times its rated capacity, and has supplied about two-thirds of all the toluol for the high explosive TNT used by the combined United States Army, Navy, and the Air Corps for the *entire* year 1942.

We're proud today to know that four out of five of those bombs dropping on Germany and on the territory occupied by Japan come from petroleum, and that most of them use toluol made by that hydrogenation process we bought from Germany 14 years ago.

Another miracle that I want to mention briefly is a substance that many may never have heard of. We called it "Paratone." We obtained this product from the IG because we had insisted on getting all their oil inventions during the life of the hydrogenation patents.

In 1932, 2 years after the agreement was made, one of our chemists picked up a sample of this chemical curiosity in an IG laboratory and brought it back home with him—a little bottle of what the Germans called "Oppanol."

Back in America some of the men in our laboratories had been working for years on a very worrisome problem—the problem of overcoming the effect of heat and cold on the fluidity of lubricating oils. Oil, like molasses, thickens when cold and thins out when hot.

Well, our chemists finally found that this chemical curiosity of the Germans was exactly the missing link that research chemists had for years been looking for to give oil a more stable viscosity under changing temperatures. We found that this substance could be dissolved in oil, and that when a very small quantity—only two or three percent—was added to oil, the oil did not thin out nearly so much under extreme heat nor thicken up so much in extreme cold.

Do you remember how the German tanks bogged down in Russia? Did you wonder why it was that the Russian tanks kept going last winter—why it was that the Russian armament drove the Germans back toward Poland when the freezing cold set in, even when the German communiqué complained of cold so bitter that the oil froze in the motors? *The Russians had "Paratone,"* made in New Jersey, U.S.A., from a process originated in Germany in 1932, and used first by us in lubricating oils in 1934, and which the Germans couldn't use because they lacked the needed raw materials.

Have you wondered why our fighting planes in Africa can work smoothly at stifling desert heat and then zoom to stratosphere cold of —55°F. and still work as smoothly? *They* had similar "Paratone"-treated oils.

Did you ever puzzle over the problem of why gun turrets on flying fortresses work as smoothly at 30,000 feet as at 200 feet? They have been operated by hydraulic oils also made from "Paratone."

Every single gun firing a shell larger than about 37-mm in the United States Army and Navy has its terrific recoil absorbed by "Paratone"-treated oils. Every turret on every warship and every turret on every tank has been swung around and its guns raised

and lowered by "Paratone"-treated oils, thus making their fire power greater and more accurate.

Yes, truly a miracle as well as the irony of fate.

The next miracle I want to touch on briefly is one about which all of you have heard a great deal during the past 2 years. In many ways it is the most important miracle of them all—synthetic buna rubber.

A basic ingredient of buna rubber, as you know, is butadiene. Because they lacked oil, the Germans learned to make butadiene from coal. But because butadiene could also be made from oil, a part interest in the buna rubber process itself (3/8ths) came to us because we had insisted back in 1929 on getting all of IG's inventions in oil chemistry until 1947. Consequently we learned a great deal, not only about synthetic rubber, but how to make it from oil.

Twelve Years' Research Went Into Buna

By the time the Nazi army marched into Poland the Germans had just gotten into operation their first large-scale commercial buna plant of 25,000 tons capacity—probably about one-tenth of their war requirements and about 1/40th of our present program. At that time (1939) few people in government or out dreamed that, *even if war* ever came with Japan, the Japs would be able to take Singapore and the Dutch East Indies. Nevertheless, there had been in the States nearly 10 years of study of the problem of producing buna from oil. By 1938 Standard had been conducting initial conversations with the leading rubber companies in the United States on the merits of the buna rubber process and product. *And by 1939 five leading American rubber companies were running tests on buna rubber tires.* (I myself took a sample to one rubber company as early as 1934.)

The Germans, under the contract that we had made with them 10 years earlier, owned a majority interest in buna rubber—their own invention. However, by a settlement with them in September, 1939, we obtained from them all their rights in the buna rubber process for the United States and the British and French Empires, and gave up our rights in this process for the rest of the world. A few weeks later—*2 whole years before we got into the war*—we were down in Washington reporting the new situation to the Army and Navy Munitions Board, seeking their advice on future developments of synthetic rubber in the United States. From then on we were in constant contact with eight different agencies of government on this problem. When the Japs struck that Sunday morning at Pearl Harbor we didn't have synthetic rubber in any large quantity, but we had the knowledge obtained by over 12 years of research work, and finally, with the help and cooperation

of government and many others, we had got ourselves in a position where we could make a start. And several months later, when the Japs took the rubber of Java and Sumatra, we were on our way. The rest of the story you know. William Jeffers, former rubber czar, down in Houston a few weeks ago, said that the United States rubber program would be a year-and-a-half behind where it is now if it had not been for that prewar research Standard Oil Company (New Jersey) conducted, which started in 1930, following our 1929 agreement with IG.

There are other miracles besides these that I have mentioned, all of them powerful weapons of modern magic that came into being in time to help us win the most important war in history against the evil and ruthless forces dominating the very country where the miracles had their beginning. There is not time to discuss all of them.

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TRANSLATION OF DOCUMENT NI-10551
PROSECUTION EXHIBIT 994

MEMORANDUM OF DEFENDANT VON KNIERIEM TO DEFENDANTS AMBROS, BUETEFISCH, SCHNEIDER, AND OTHERS, 6 JUNE 1944, CONCERNING AND TRANSMITTING A COMMENTARY ON HASLAM'S ARTICLE CONCERNING COOPERATION BETWEEN FARBEN AND STANDARD OIL

1. Memorandum From Defendant von Knieriem, 6 June 1944

6 June 1944 vK/Doe

SECRET!

To:

Geheimrat Dr. Schmitz	Heidelberg
Director Dr. Ambros	Ludwigshafen
Director Dr. Buetefisch	Leuna
Director Dr. Mueller-Cunradi	Oppau
Director Dr. Schneider	Leuna
Director Dr. Pier	Ludwigshafen
Director Dr. Goldberg	Oppau
Dr. Diekmann	Berlin

Re: Haslam Article*
Dear Sirs,

Enclosed I am sending you a commentary on the above article, as agreed, and would like you to let me know of any objections, as far as the gentlemen have not already concerned themselves with it.

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* The pertinent parts of this article are reproduced immediately above.

I think we all agree that we will only make use of our reply to the authorities if we are approached about Haslam's article. It is in any case quite good, however, that we ourselves will get a view of conditions through this.

With regards and Heil Hitler!

yours,

Signed: v. KNIERIEM.

2. Farben's Commentary on the Haslam Article

SECRET!

6 June 1944

Comments on Professor Haslam's Article in the "Petroleum Times" of 25/12/1943

Standard Oil has been repeatedly and violently attacked in America because the cooperation between Standard Oil and I.G. Farbenindustrie A.G. allegedly worked out disadvantageously for America. "The Petroleum Times" published detailed articles on February 18, and May 16, 1942, in which Mr. Farish, President of Standard Oil, defends himself against such attacks levelled against Standard Oil. One realizes on reading the above-mentioned article by Professor Haslam, that it is nothing more than another defense of Standard against the accusation that America had come off badly as a result of the cooperation between Standard Oil and I.G. Farbenindustrie A.G.

The cooperation between IG and Standard, initiated in 1927 and extended in 1929, was laid down in extensive agreements resulting from negotiations over a number of years. The closing of an agreement with Standard was necessary for technical, commercial, and financial reasons: *technically,* because the specialized experience which was available only in a big oil company was necessary to the further development of our process, and no such industry existed in Germany; *commercially,* because in the absence of state economic control in Germany at that time, IG had to avoid a competitive struggle with the great oil powers, who always sold the best gasoline at the lowest price in contested markets; *financially,* because IG, which had already spent extraordinarily large sums for the development of the process, had to seek financial relief in order to be able to continue development in other new technical fields, such as buna.

The Haslam article now declares that the Americans received processes from IG which were vitally important for the conduct of war, and every reader of the article will ask if this is true, and if so, if IG on its side has acquired information from the Americans which is equally vital for the conduct of war. The following explanations deal particularly with the latter question.

Mr. Haslam mentions the following principal products; iso-

octane, toluol, Oppanol-Paratone, and buna. The following observations may be made on each of these:

1. *Iso-octane*

Mr. Haslam mentions the following principal products: iso-octane. By reason of their decades of work on motor fuels, the Americans were ahead of us in their knowledge of the quality requirements that are called for by the different uses of motor fuels. In particular they had developed, at great expense, a large number of methods of testing gasoline for different uses. On the basis of their experiments they had recognized the good anti-knock quality of iso-octane long before they had any knowledge of our hydrogenation process. This is proved by the single fact that in America fuels are graded in octane numbers, and iso-octane was entered as the best fuel with the number 100. All this knowledge naturally became ours as a result of the agreement, which saved us much effort and protected us against many errors.

The next step was to utilize iso-octane as a motor fuel because of its good qualities, and to search for suitable production processes; this was soon achieved in America. Through polymerization of the iso-butene contained in cracked gases, di-isobutylene was produced and changed into iso-octane through hydrogenation. Hydrogenation was at first carried out at low or only slightly increased pressure. It became clear that for this type of hydrogenation the catalytic pressure-hydrogenation developed by us could also be used successfully. Both processes were used simultaneously. After plants were operating in America, they were also introduced, in the years just before the war, in several other countries, as for instance, Roumania and Russia (second stage: low-pressure hydrogenation), Holland, Iran, and Venezuela (high-pressure hydrogenation). Therefore the statement by Mr. Haslam that the production of iso-octane became known in America only through the hydrogenation process is not correct.

Mr. Haslam further declares that the German aircraft industry, in contrast to the American and English, could not have changed over to the use of iso-octane. From this the conclusion might be drawn that either we did not know the process for iso-octane production, or that we could not produce it for other reasons; for instance, because of lack of raw materials. However, both reasons are wrong. Obviously our raw materials situation is different from that in America. They could draw on extensive sources of raw material, which were at their disposal in the largely unsaturated butane fractions of natural gases [last 3 words crossed out in original] and the refineries and cracking plants of their petroleum industry. Since our fuel industry depends essentially on coal, these gases were not at first at our

disposal in sufficient quantities. For that reason we used other methods to produce iso-octane and chose to proceed by way of isobutyl-alcohol, which is produced from carbon monoxide and hydrogen; that is to say, on a pure coal basis. Apparently this fact is unknown to the Americans. At any rate, we maintained the strictest secrecy in all negotiations about the fact that we produce iso-octane on an industrial scale. When in the process of expanding our hydrogenation plants, we came to have sufficient butane-containing gases at our disposal, these had still to undergo dehydrogenation prior to polymerization. Only then were we in a position to change the unsaturated gases into iso-octane, in the same way that is used in America. This dehydrogenation process has been developed by us.

Especially in the case of iso-octane, it is shown that we owe much to the Americans because in our own work we could draw widely on American information on the behavior of fuels in motors. Moreover, we were also kept currently informed by the Americans on the progress of their production process and its further development.

Shortly before the war, a new method for the production of iso-octane was found in America—alkylation with isomerization as a preliminary step. This process, which Mr. Haslam does not mention at all, originates in fact entirely with the Americans and has become known to us in detail in its separate stages through our agreements with them, and is being used very extensively by us.

As a result of the quite different raw materials situation, we have occupied ourselves with aviation fuels with an iso-octane base, but particularly intensively with high performance fuels containing aromatic substances and with their production. We succeeded in producing high-performance fuels of 100-octane rating, in which aromatic substances are substituted for a large proportion of iso-octane. In its basic features, the production of aromatic gasoline through hydrogenation was known at an early stage. The newer development, the new aromatization-catalysts, and the development of the DHD-process supplementary to hydrogenation (which will be discussed in detail under (2) toluol) were, however, carried out as military developments without anything about them becoming known abroad.

In summary, it can thus be said concerning the production of aviation fuels, that we had to use methods which differed in principle from those of the Americans. The Americans have petroleum at their disposal, and naturally rely on the products that are created in the processing of petroleum. In Germany, we started out on a coal basis and from there proceeded to utilize the hydro-

genation of coal for the production of aviation fuel. As mentioned above, however, specialized information was not turned over to the Americans. Therefore, in contrast to Professor Haslam's assertions, hydrogenation proper was used in Germany, though not in America, for the production of aviation fuels. Beyond that, it must be noted that particularly in the case of the production of aviation gasoline on an iso-octane basis, hardly anything was given to the Americans, while we gained a lot.

2. *Toluol*

In the case of toluol the facts are somewhat different, insofar as the IG was the first to realize that, as already mentioned, through the process of hydrogenation, aromatics, and among them toluol, could be obtained. The production of aromatics through hydrogenation, the so-called aromatization, was technically carried out here as well as in the U.S.A. As a result of the poor yield the process, in the original form, was suitable only for valuable specialized products. For instance, solvents were manufactured through aromatization in America.

It has been known since the First World War, before the development of the above-mentioned aromatization process, that it is quite generally possible to extract the individual aromatics from aromatic gasolines. Meantime, the extraction processes, particularly the internationally known Edeleanu process,* have been considerably improved. These extraction processes were at the disposal of the Americans and us for the isolation of toluol.

In Germany, then, the IG technically so improved the aromatization through the discovery of new catalysts that the production of aromatic fuels became possible on a large scale.

The Americans learned nothing from us about this. Immediately after the outbreak of war, IG suggested isolating toluol from the aromatic mixtures. The fact that this suggestion was not followed was due principally to raw material considerations. In particular, it was desired to utilize hydrogenation at first only for the production of fuels, and not to draw off certain quantities of hydrogenation products for the manufacture of toluol, especially as other suitable sources of toluol were at our disposal (low-temperature carbonization of coal; synthesis from benzene and methanol). Moreover, it was of decisive importance that the manufacture of high-pressure vessels necessary in hydrogenation caused for a long time quite a bottleneck in German production circles. For some time, however, toluol has been produced in Germany also by way of hydrogenation.

[Editor's note: Preceding sentence crossed out in original.]

* The Edeleanu process is a solvent extraction process using liquid sulfur dioxide for the removal of undesirable aromatics from heavy lubrication oils.

In this, however, the above-mentioned aromatization developed by us is not being used any more, but instead the so-called DHD-process, a benezene-dehydrogenating process which was discovered and technically developed by us in a similar way to the hydroforming process, which was developed in America and became known to us from there. The fact that we operated on a large scale by this process is unknown to the Americans, so far as we know. With the Americans, as far as we know, the hydroforming process — in which petroleum gasoline is treated under heat and low pressure in the presence of hydrogen over a regenerable catalyst — furnishes the raw material for toluol production. In other words, actual hydrogenation is not employed for the production of toluol. Besides, a number of other processes are at the disposal of the Americans, as for instance, the isomerization process of heptane and catalytic cracking of certain crude oil fractions; for instance, the Houdry process. The Americans have used this last process in Italy especially, as far as we know.

[Editor's note: The two preceding sentences have been crossed out in the original.]

Therefore when Mr. Haslam, in connection with toluol, talks of a "miracle" which has fallen to the Americans through the hydrogenation process, his statement is not correct, for toluol, as can be seen from the above, can be produced without hydrogenation and is not produced by hydrogenation in America.

[Editor's note: Last 8 words crossed out in original.]

3. *Oppanol*

In the case of Oppanol, Mr. Haslam's statement is incomplete. When we gave Mr. Howard an Oppanol specimen in 1932, we had already recognized its effect with regard to the improvement of lubricating oils. It now became apparent, however, that the flattening of the viscosity curve was an intensively investigated problem for the Americans to which a solution was reached through our Oppanol. Its introduction into practical use was pushed ahead very quickly by the Americans, thanks to their large-scale installations, so that we also reached clear results regarding the applicability of Oppanol to the improvement of oil considerably more quickly than could have been done without the Americans.

The statement by Mr. Haslam about the Russian campaign, which is supposed to show that we had no Oppanol in our possession, in contrast to the Russians, is incorrect. On the contrary, immediately after the discovery of Oppanol we worked in very close cooperation with the Army Ordnance Office. Out of this was developed first of all the Oppanol-containing army motor oil, in

fact in the year 1936. Even today up to 0.7 percent Oppanol is added to our army motor oil. It is evident here too, that the Americans are not properly informed about developments here, which is explained by the fact that we left them in ignorance of the fact that, using coal as a base, we ourselves produce the raw materials for Oppanol production.

4. *Buna*

The conditions in the buna field are such that we never gave technical information to the Americans, nor did technical cooperation in the buna field take place. On the basis of the contractual agreements, the Americans had only the right to reach a technical cooperation with IG at some undetermined date. Even the agreement reached in September 1939 and mentioned by Mr. Haslam, did not give the Americans any technical information, but only that which was contractually their due, that is, a share in the patents. Moreover, at that time a different division of the patents was decided upon, which seemed to be in the interests of both partners. The Americans did not at that time receive anything important to war economy; besides, they could have procured the patents without our agreements in wartime, for, during war a state will never be kept from production by enemy patents.

A further fact must be taken into account, which for obvious reasons did not appear in Haslam's article. As a consequence of our contracts with the Americans, we received from them, above and beyond the agreement, many very valuable contributions for the synthesis and improvement of motor fuels and lubricating oils, which just now during the war are most useful to us; and we also received other advantages from them.

Primarily, the following may be mentioned:

(1) Above all, improvement of fuels through the addition of *tetraethyl-lead* and the manufacture of this product.* It need not be especially mentioned that without tetraethyl-lead the present method of warfare would be impossible. The fact that since the beginning of the war we could produce tetraethyl-lead is entirely due to the circumstances that, shortly before, the Americans had presented us with the production plans, complete with their know-how.

Thus, the difficult work of development (one need only recall the poisonous property of tetra-ethyl-lead which caused many deaths in the U.S.A.) was spared us, since we could take up the

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* Evidence concerning Germany's acquisition of 500 tons of tetraethyl lead from the Ethyl Export Corporation is reproduced above in subsection I, "Stockpiling, Storage of Material, Dispersal of Production."

manufacture of this product together with all the experience that the Americans had gathered over long years.

It was, moreover, the first time that the Americans decided to give a license on this process in a foreign country (besides communication of unprotected secrets) and this only on our urgent requests to Standard Oil to fulfill our wish. Contractually we could not demand it, and we found out later that the War Department in Washington gave its permission only after long deliberation.

(2) Conversion of low-molecular unsaturates into usable gasoline (*polymerization*). Much work in this field has been done here as well as in America. But the Americans were the first to carry the process through on a large scale, which suggested to us also to develop the process on a large technical scale. But above and beyond that, plants built according to American processes are functioning in Germany.

(3) In the field of *lubricating oils* as well, Germany, through the contract with America, learned of experience which is extraordinarily important for present day warfare. One may recall the improvement of lubricating oils through dewaxing and deasphaltization by means of propane, for which we first received from America the experience necessary for large-scale application. We further received information about the pour-point depressants, such as Paraflow. Here it is apparent how advantageously the agreement with America turned out for Germany when one considers that the product was found in Germany, while its important application as pour-point depressant was first discovered by the Americans. Finally, it should be mentioned that our knowledge of certain materials which prevent the oxidation of unsaturated parts of motor fuels and oils, as well as sludge formation and piston pitch formation is of American origin. Altogether we were quite thoroughly informed on a large scale of the behavior of lubricating oils in auto and aircraft motors, and thereby it became possible for us to develop our synthetic lubricating materials immediately according to practical standards, so that at the beginning of the war we were technically fully prepared. In this connection, we obtained not only the experience of Standard, but, through Standard, the experience of General Motors and other large American motor companies as well.

(4) As a further remarkable example of the advantageous effect for us of the contract between IG and Standard Oil, the following should be mentioned: in the years 1934/1935 our government had the greatest interest in gathering from abroad a stock of especially valuable mineral oil products (in particular, aviation gasoline and aviation lubricating oil), and holding it in re-

serve to an amount approximately equal to 20 million dollars at market value. The German Government asked IG if it were not possible on the basis of its friendly relations with Standard Oil, to buy this amount in Farben's name actually, however, as trustee of the German Government.

The fact that we actually succeeded by means of the most difficult negotiations in buying the quantity desired by our government from the American Standard Oil Company and the Dutch-English Royal-Dutch-Shell Group and in transporting it to Germany, was made possible only through the aid of the Standard Oil Co.[1]

[In handwriting]

Distributed to:

Geheimrat Dr. Schmitz
Dir. Dr. Ambros
Dir. Dr. Buetefisch
Dir. Dr. Mueller-Cunradi
Dir. Dr. Schneider
Dir. Dr. Pier
Dir. Dr. Goldberg
Dr. Diekmann

3. TESTIMONY OF DEFENDANTS KRAUCH, VON KNIERIEM, BUETEFISCH, TER MEER, GAJEWSKI, AND OSTER

a. Testimony of Defendant Krauch

EXTRACT FROM THE TESTIMONY OF DEFENDANT KRAUCH[2]

DIRECT EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): Very well. And now, to conclude our examples, a few words about the international connections of I.G. Farben, without consideration of any intention of a war of aggression.

DEFENDANT KRAUCH: The international exchange of experiences of I.G. Farben was continued during these years, as had been the case previously, according to the contracts. I recall a visit which Mr. Howard, one of the important men of Standard Oil, paid me about the end of 1938. He asked me whether there were any objections by the government to having this exchange of knowledge

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[1] Evidence concerning this purchase of gasoline and oil products is reproduced above in subsection I, "Stockpiling, Storage of Materials and Dispersal of Production."

[2] Further extracts from the testimony of Defendant Krauch are reproduced above in subsections C 5*a*, F 3, G 7*a*, H 4*a*, and I 7*a*, and below in subsection N 5*b*.

continued. He said that he had observed such phenomena in the United States: Whenever American industry—and specifically Standard Oil—gave information to Germany, they had to inquire of the War Department in Washington whether the War Department was willing to have this information given to Germany.

I told him that we had similar arrangements. We also had to inquire, but in view of the needs of industry, and especially the export industry, these inquiries were handled generously, so that I had no misgivings about continuing the exchange of experiences in the future.

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b. Testimony of Defendant von Knieriem

EXTRACTS FROM THE TESTIMONY OF DEFENDANT VON KNIERIEM*

DIRECT EXAMINATION

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DR. PELCKMANN (counsel for defendant von Knieriem): Now, we must deal with another point in somewhat more detail. That is patents. The prosecution has charged that Farben took special measures in cooperation with the German Wehrmacht in order to keep patents and processes secret from other countries in the interests of German rearmament. Those are points 20 and 21, and 50, and following in the indictment.

My question is, did Farben have any interest in keeping patents and experiences secret from other countries?

DEFENDANT VON KNIERIEM: No.

Q. But surely Farben had to observe the legal provisions. What legal provisions were in effect before 1933?

A. Before 1933 there were provisions against military treason and also the so-called Espionage Law of 3 June 1914, which punished anyone who had intentionally given writings, drawings, or other objects, the secrecy of which was required in the interest of the country, into the hands or to the knowledge of another, and thereby endangered the security of the Reich.

Inventions are not mentioned in this law. Then there was the secret patent law which reads as follows: "If a patent is of interest for the purposes of the Army and the Fleet, then by application the patent will be issued without any publication. In this case, registration in the list of patents will not be made."

There were similar rules in England and France. I did not know that before 1933 these regulations were of any significance for Farben.

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* Further extracts are reproduced above in subsections IV, VII I 6*b*, and K 3*b*, and below in subsection M 6*b*.

Q. Now, how was it after 1933? Was the legislation changed in any way?

A. Yes. First of all there was a change in the legislation. By order of Reich President von Hindenburg, on the 28th of February 1933 the Espionage Law was changed and the death penalty was introduced for some cases. The following, however, was more important. In 1933, a reform of the entire penal code was planned in Germany. The Prussian Minister of Justice published a memorandum with suggestions. This memorandum was published and sold openly in bookstores, and all people were requested to express their opinions. Two important suggestions were made in this memorandum.

First, it was suggested that the following provision be set up, and I quote: "A German is to be punished for treason if he gives an invention of his —"

Q. Mr. von Knieriem, I will cite the passage in the document book for the interpreter. It is in document book 2, Document von Knieriem 11,* Knieriem Def. Exhibit 10, page 102, the second paragraph from the end, just before the heading "Second Title."

Now, will you please repeat the quotation, Mr. von Knieriem.

A. I said that this memorandum gave two suggestions which are important for this trial. The first suggestion was to introduce the following provision, and I quote: "A German is to be punished for high treason if he communicates to foreign countries an invention by him which is of essential value to the national defense, without first having offered same to the competent German authorities for adoption."

And the second suggestion in this memorandum was to create a new crime — economic treason — with about the following contents.

Q. This quotation is on page 103 of the document book. Do you want to quote it?

A. I shall not quote it. It is in the book. I want to explain what it was about.

Q. Very well.

A. The sense, briefly, of these regulations was that a German could be punished for economic treason, who, to the detriment of the national economy, gave secrets to other countries, secrets in technical fields. There was no doubt that in the second provision regarding economic treason, inventions were included.

Now, this memorandum had pointed out that criminal laws were to be retroactive, that it was not to be *nullum crimen sine lege*. I had sat down and worked out a memorandum myself which, in the name of Farben, was sent in to the Reich Minister

* Reproduced above in subsection L2.

of Justice. Regarding the first provision, I said that it was impossible to create a criminal law where the concept of the essential importance has any significance. I said that a person cannot be condemned to death if he is mistaken about the idea of essential importance. Now, the second provision regarding economic treason. I said that it was still more terrible to inflict the severest punishment on someone because he allegedly gave inventions to other countries to the detriment of the German national economy.

I remarked that as to whether something is a detriment or a blessing to the German national economy is sometimes not apparent, not even afterwards. But one certainly cannot know that beforehand. I included a little example in my memorandum, and it seems to me that this was a good example, and I want to give it to you.

In this memorandum I said that the Badische Anilin- und Sodafabrik, after the First World War, had had the best nitrogen process in the world, the Haber-Bosch process. This process has been mentioned repeatedly by the prosecution. The whole world was coming to Ludwigshafen in those days, and they wanted to get a license for this process. We considered our policy for a long time and we decided that we would not give the license. We believed that at that time it would be more advantageous for us to keep the process for ourselves and to export products. In general, one earned more in that way than through royalties.

What we did was wrong. What happened was the following: Such technical matters cannot, in the long run, be kept secret. The world learns of them through scientific papers, through patent publications; the processes are imitated and similar processes are developed. And that happened in this case. The Claude process was developed in France; the Casale process was developed in Italy, and another process in America, and the world produced nitrogen without us — and probably just as well.

In our opinion these processes were violations of the patent, but such patent trials cannot be carried on all over the world.

It was wrong for us not to give our experience to other countries — in other words, to do what this memorandum considers correct.

Only in two cases did we make an exception at that time. We gave the process to Norway, to our old friends, Norsk-Hydro. They have also been mentioned in this trial. And in addition, under the pressure of the occupation force, we gave it to France —

Q. Just a minute: Under the pressure of the occupation force? Is that what you said?

A. Under the pressure of the occupation force, we gave it to

France. And from these two countries we received royalties over a decade.

Now, in my memorandum I said: "You can see how the matter is. We thought we were clever and experienced men in the Badische, but we were wrong about what would be a blessing and what would be a detriment."

I also said in this memorandum that if this suggestion became a law, international collaboration for our world enterprise would have to stop, and that would have very serious consequences for German national economy. Finally, we pointed out if we were not permitted to fulfill the terms of our international contracts, then the consequences would be impossible to foresee.

Finally, I pointed out once more that it is an incredible idea to expect a businessman who makes a mistake on such a difficult question to be dealt the death penalty according to a retroactive law.

Q. Did these two provisions suggested in this memorandum become law?

A. No. Until 1945, this penal code was not completed. But the suggestions continued, and the discussion, particularly about these two suggestions. One had to expect a special law at any moment which would put them into effect, and then, as I have explained, they would have been retroactive.

Q. What actually happened from the point of view of legislation?

A. On 24 April 1934 the Espionage Law which I mentioned was included in the Penal Code as paragraph 88, and some provisions were made stricter. The death penalty was provided for. The Reich Patent Office, justly, took the point of view that inventions were included.

Q. Did this stricter attitude on the part of the government affect the administration too? For example, in the management of patent applications and the issuing of patents?

A. Yes, that began at the end of 1934. It began with the certificates of priority. I must explain in a few words what they were. One of the most important provisions of the International Patent Union, to which practically all countries in the world belong — I believe there are forty-four — is the following. Every member of one of the contracting states has the priority of his invention in all other countries for one year.

To give an example: If a German, on 1 February of 1 year, in Berlin, files an application for an invention, and on April of the same year a Frenchman independently makes the same invention and registers it in Paris; and if, on the first of September of the same year, the German registers his invention in Paris — he has the priority, although the Frenchman registered his invention first

in Paris. So that if it can function, one must have a certificate of priority when registering a patent abroad. That is a certificate that one has registered it in one's own country. These certificates of priority are sent out by the Patent Office in the form of blanks. Now, since the end of 1934, these blanks have carried a notation, briefly: Be careful, observe the provisions of paragraph 88 regarding treason. Be careful when registering a patent abroad.

And from the middle of 1935 on, this blank had a still more stringent formulation, also pointing out that the person registering a patent in Germany would register it abroad at his own risk, and he was advised, in all doubtful cases to inquire of three offices — the Army, the Navy and the Luftwaffe.

Q. For Germany these strict warnings were new, as you say. Do you know whether the attitude of the other governments regarding persons registering patents was similar?

A. It was similar. It is interesting that at that time a note was issued weekly of about the following contents in the official English patent publication. "Persons patenting inventions are hereby informed that in doubtful cases they should report the details in confidence to the Admiralty, the War Ministry, and the Aviation Ministry, so that steps can be taken to keep such matters secret, as may be subject to certain legal provisions."

Q. What was IG's attitude toward all these strict government measures which you have described?

A. I believe you will understand if I tell you that there was great unrest, especially among the technical men of Farben. They often came to me and asked what they should do. We have to give such-and-such a discovery to other countries. Are we not committing treason? Can we not be condemned for that?

And even if, in an individual case, it could be determined perhaps by inquiry that there was no military significance, there always remained the threat hanging over our heads that the provisions about economic treason which I mentioned before might be put in effect with retroactive force.

One must realize that these dangers existed for the following cases: Filing of applications for patents abroad, giving technical experiences to other countries, and conclusion of new contracts by which we were obligated to give technical experiences.

Q. The prosecution has submitted, as Document NI—4702, Prosecution Exhibit 101,* in book 6, a letter of Krauch's of 5 September 1935. This letter informs various offices of Farben about the establishment of Vermittlungsstelle W. Was this office created because of the difficulties which you have just been describing?

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* Reproduced above in subsection H2, "Farben's Liaison Office Wehrmacht (The Vermittlungsstelle W), and Mobilization Planning."

A. I cannot give any exact answer to that because I was not present at these conferences, but there is no doubt that there is some connection. It was a matter of course that once this office was in existence, we used it in such questions. For example, patent questions; there would have been no point for each Farben office in bringing people to Berlin. It was better to have people there constantly who knew the individual Referent and officials in the Ministries.

Q. Did you succeed in clearing up all of the problems that came up, and in calming down the Farben people on this question — that is, the question of Farben in patent and contract matters?

A. We discussed these questions very thoroughly with each other. Finally, on 18 October 1935, I sent a letter to a large number of Farben men about the treatment of patent and contract questions with respect to national defense. This letter contains the details. Now with reference to collaboration again between the Vermittlungsstelle and the various Wehrmacht agencies, I can say in summary that as a rule when we made inquiry we were assured that there were no objections from the military point of view. The risk with economic treason we could not get away from, and we took this risk.

Q. Now what, in general, was the result of this forced consultation of the Wehrmacht? That is, were many registrations declared to demand secrecy, or were many secret patents registered for the Reich?

A. I believe that the following figures will interest you. The figures which I give now deal with Ludwigshafen, including Leuna. That is about one-third of Farben, considered from the point of view of patents.

Yesterday you gave the Tribunal some patent statistics. If one reads those carefully, one sees that Ludwigshafen and Leuna together have about one-third of the Farben patents. In the period from 1934 to 1944, for Ludwigshafen and Leuna, 6,810 patents applications were submitted. Of these, 118 became secret patents. That is a percentage of 1.7. You will perhaps also be interested in the fact that of these 118 secret patents, 20 were issued before the end of 1939. You will see, therefore, that the majority of these 118 were issued during the war.

Q. Farben was bound by contracts with foreign companies to register patents in other countries, and to give information to the partners in the contracts. Was that still possible under the legal provisions which you have described?

A. In general it was possible because we were able to direct the judgment of the authorities concerned in such a way that as a rule permission was granted. Whenever we could reconcile it at

all with our conscience, we directed the judgment of the authorities in such a way that permission was granted, and in most cases, as I said, that was possible. This, of course, corresponded to the policy of Farben; keeping our contracts was not only our tradition, but it would have been unwise to proceed in any other way. I should like to point out expressly that in general our most important foreign partner was Standard Oil, which was at that time in a similar position. I assume that I will be asked about this question later.

I should merely like to sum up and say that for both big enterprises the conflict existed between loyalty to contracts, and the necessity to observe the instructions and the regulations of their government — their respective governments.

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DR. SILCHER (associate counsel for defendant von Knieriem): Mr. von Knieriem, the question which you were last discussing, the question of the technical advantage of collaboration for the two partners in the contract [the JASCO Agreement] leads me to the internal work of Farben regarding the exchange of experience with Standard Oil which the prosecution has offered as Document NI–10551, Prosecution Exhibit 994[1] in book 43, English page 87, German page 80. This exhibit here states that in the exchange of experience between Farben and Standard Oil, it was predominantly Farben which received. What about this?

DEFENDANT VON KNIERIEM: The reason for this report was a lecture by the vice-president of Standard Oil, Haslam, in New York at the end of 1943. (*von Knieriem 17, von Knieriem Def. Ex. 16.*)[2] This lecture was published in the Petroleum Times of 23 December 1943. Haslam explains in considerable detail that the technical warfare of the United States would not have been possible at this level if Standard Oil had not received the valuable experience of Farben. Standard Oil had obviously been attacked in America because of its collaboration with Farben. That was quite obviously the reason for this speech. This speech extremely and strongly emphasized the value of what Standard Oil received from Farben. Now, in the spring of 1944 one day, Buetefisch told me that this speech of Haslam's had become known in Germany and that we had to expect official German agencies to learn of it. Both of us felt that this was a dangerous situation and that we had to consider the possibilities that we might be attacked for treason. This was the reason why a memorandum on the subject was worked out with Farben. It was to be used in the event that there was such an attack on Farben for treason. In this report

[1] Reproduced in full above in subsection L 2.
[2] Ibid. (Reproduced in part.)

of Farben, everything was listed that we had received from Standard Oil. It's possible that our private report was a little exaggerated in view of its purpose. I cannot judge this matter exactly, not being a technical expert. I should merely like to remark that this private report was not finished. I believe that can be seen from the letters with which the prosecution introduced it. The information was not completed, for actually no such attack was made against Farben, probably because of the somewhat confused situation in Germany in the year 1944.

Q. Was this matter really so serious for Farben?

A. We considered it extremely serious, and I believe everyone will agree with us who realizes what the situation was. That was the time of the terrible air raids on German cities. The German population was living under the most terrible conditions. Now this speech of Haslam's, which had become known in Germany, said the American air raids on German cities were possible only because of the technical experience which Standard Oil had received from Farben. It also said the explosives which the American planes dropped on German cities could be traced back to certain inventions of Farben which Standard Oil received, that is, in the field of toluol. Finally, it said that Russia had won her campaign only because of technical achievements which Russia had received from America and which came originally from Farben. Now, just imagine our situation if this state of facts became the basis of an accusation by the People's Court.

Q. Did Farben foresee such results of its collaboration with Standard Oil?

A. No, of course not; but that is an unavoidable consequence of any international collaboration in a technical field. What one country gives another country in peacetime by way of technical achievements will be turned, in the event of war, against the country where it originated. And when that happens, then reproaches come and probably against both partners. Everyone is reproached by his own country. It was similar with Standard Oil, as we heard. Reproaches were made against Standard Oil too. But you must realize the difference. These reproaches against Standard Oil were raised in a civilized form of a hearing before a Senate Committee. But now imagine the situation of a German firm in 1944 before the People's Court. I don't believe I need say any more about that.

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c. Testimony of Defendant Buetefisch

EXTRACT FROM THE TESTIMONY OF DEFENDANT BUETEFISCH[1]

DIRECT EXAMINATION

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DR. FLAECHSNER (counsel for defendant Buetefisch): The last of this series of documents is Document NI–10447, Prosecution Exhibit 958.[2] This is also to be found in prosecution document book 42. English page 132 . This is a file note originating from you and sent to the OKW. Would you please tell us whether the contents of this file note are not in contradiction to what you said about the manner in which the exchange of experience was handled?

DEFENDANT BUETEFISCH: Reading the text of this file note and not knowing the accompanying circumstances, one may well gain this impression. This file note was written in February 1940 at a time when Germany was already 5 months at war. I have described our situation as it prevailed in October 1939, and I have described our discussions with Mr. Howard. It was clear that, after this discussion, we once more had to assure ourselves at the OKW whether we were allowed to continue our exchange of experience, and if so under what conditions. In other words, in this file note the issue is the exchange of experience during time of war. Furthermore, it becomes apparent from that file note that I did not only speak on behalf of Farben, but also in behalf of Ruhrchemie, which was included in this new field of contracts — the hydrocarbon synthesis field. At any rate, we could not dare to continue our exchange of experience on our own initiative without having received any permission. We could not continue it as it had been handled that far — that is the exchange of letters and drawings. Up to that time the matter really didn't become very effective, and an actual exchange only took place when we actually met. We had intended a meeting in March/April 1940 with Mr. Esbury and Mr. Howard. I therefore approached the OKW — that is, I even think that the letter had been written before that. However, I am not sure, because I don't have my files here. In that letter we asked to be permitted to continue our exchange of experience. At the time, General Thomas asked me to come to him, and he told me that he could not undertake the responsibility himself, because an exchange of experience in wartime would be quite an important matter and would demand further approval

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[1] Further extracts from the testimony of the defendant Buetefisch are reproduced above in subsections C 2 and I 7*e*, and in subsection IX F 7 in volume VIII, this series.

[2] Reproduced in full above in subsection I 2.

which he himself would not like to grant. He said that he personally represented the point of view that an exchange of experience, as I had suggested, could continue without any further question. But then he said to me, "You said to me that you wouldn't grant military secrets. You wouldn't transfer any military secrets. How do you know what experience contains military secrets?" I had to be prepared for that question. I said, "Well, in the final analysis that is a matter for a technical expert to decide." I tried to explain to him what actually an exchange of experience meant. Thomas said, "This is very complicated indeed. But draw up some kind of a file note so that I can give you a decisive answer: yes or no." And that is how this file note came about, which Thomas then reported to Goering, who said, "Very well, the exchange of experience can be continued." But on the margin it was said that, "Dr. Buetefisch must be responsible to me that nothing wrong happens in this field." Naturally I had to bear the responsibility, and I did tell my gentlemen that military secrets may not be sent abroad. Practically, however, when the war situation intensified, no consequences resulted from that document. I must emphasize, however, expressly, that up to the beginning of that war, I in no way imposed any limitations upon any of my associates as to our collaboration with foreign partners with whom I myself was in constant touch. The practical technical experiences were exchanged on the very basis which I mentioned before. I cannot remember one case in which I told even a single one of my associates to discontinue this exchange. Naturally, I always pointed out to them what the laws were concerning treason, but I must say that in our field I never had any reasons, that is, in the mineral oil field, to express any prohibition or any specific warning.

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d. Testimony of Defendant ter Meer

EXTRACTS FROM THE TESTIMONY OF DEFENDANT TER MEER*

DIRECT EXAMINATION

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DR. BORNEMANN (counsel for defendant ter Meer): I now turn to questions of secrecy. When discussing this particular field I believe I should begin with a remark that a member of the Tribunal made, in the person of Judge Morris, on 3 September 1947, in the afternoon session. Judge Morris stated at the time, "I

* Further extracts are reproduced above in subsections C 5*b*, E 3, G 3, H 4*b*, I 7*c*, J 4, and K 3*a*, below in subsections G 3, M 3 and O 7*a* and in subsections VIII C 6, D 3, D 6, E 4 and IX F 2 in volume VIII, this series.

don't think we are any longer interested in the individual measures that were taken for keeping things secret." Therefore, I shall take it upon myself not to ask Dr. ter Meer too much in details about this field.

Dr. ter Meer, what did you have to do with the field of secrecy; did you have any close contact with these questions by reason of your position in Farben?

DEFENDANT TER MEER: I personally had not much to do with this, since I was not plant director or manager. I had my office in the Administration Building in Frankfurt, and that was probably the reason why, as far as I remember, I was not obligated to keep anything secret before the war. Of course, I knew such regulations classified as "secret matters of the Reich" [top secret], secret letters, etc. At a later time I also signed a certificate that obligated me to keep matters secret, but I do not remember when that was. I do remember, however, that such obligations to keep matters secret existed already before the war, and that people were so obligated. For instance, my colleagues in my own Sparte, as a result, were not permitted to speak to me about certain things any longer. Of course, I also knew the regulations of the draft of a bill regarding economic treason and the extensions of the regulations about military treason, which Dr. von Knieriem has discussed in detail on the witness stand.*

Q. As far as you know, was Farben particularly active in keeping matters secret?

A. In 1929 through 1932/33, my main office was in the Leverkusen plant, and in the Leverkusen plant we had the so-called Central Office for Questions of Military Economy and Policy of Farben for such questions. This Central Office combatted the disclosure of process secrets and business methods secrets, it investigated falsification of trademark goods, it was used when we found any of our patents and our trademarks to have been violated, and kept under surveillance certain black market firms that occupied themselves with crooked measures in pharmaceuticals and other chemicals. These measures were, of course, contemplated against domestic and foreign occurrences. This agency was under the direction of a certain Mr. Merbeck, who had previously been a criminologist, and in one case of economic espionage worked successfully for Leverkusen and was hired as a result of the work. The institution of the Central Office of Farben under Mr. Merbeck's direction in the Leverkusen plant was carried out in 1921, because of the events which I just mentioned.

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* Further extracts from the testimony of defendant von Knieriem are reproduced above in subsections IV D 1, VII I 6*b*, K 3*b*, L 3*b* and below in subsection M 6*b*.

Q. After 1933, did anything change in the basic attitude of Farben in regard to secrecy matters?

A. No, nothing changed fundamentally. The intensification of regulations about secrecy matters by the state by way of regulations and decrees was added, and that caused us some worry now and then. Dr. von Knieriem already mentioned that the law about economic treason was to be made effective retroactively under certain circumstances. In view of the size of our firm, we had to institute measures to protect our employees, because we could not expect that our plant managers everywhere, and persons in the plant and combines, would have studied all these measures; and even if they had done so they would not be able to interpret them correctly. So after 1933, we saw ourselves forced to treat secret matters centrally and to intensify this central treatment, and for that purpose in the beginning of 1936 we established in Berlin, in connection with Vermittlungsstelle-W, the so-called Department A, which was first under the jurisdiction of Mr. Merbeck, and later under his successor, Mr. Faubel. As a matter of fact, this did not change much because Mr. Merbeck retained an office in Leverkusen even as Mr. Faubel did later, and they were only a few days a month in Berlin in order to dictate a few circular letters for the plant there.

Q. When the Department A of Vermittlungsstelle-W was established, did you have anything to do with it?

A. My participation in the creation of Department A, Vermittlungsstelle-W, consisted in making the countersignature to a letter. At that time Professor Selck was the so-called Main Plant Manager of Farben, and when Department A of Vermittlungsstelle-W was to be instituted, Professor Selck sent circular letters to all the plants and sales departments. Several circular letters were sent out to each Sparte and for Sparte II; I countersigned, gave the second signature.

Q. Did you concern yourself in the further course of events with the activity of Department A?

A. No, never.

Q. Did you have the duty of supervision of Department A?

A. No.

Q. Was it under your personal jurisdiction; did you have authority to give directives?

A. No, I did not bother with it at all.

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Q. Dr. ter Meer, when describing your career and when you were questioned by Dr. Berndt [cocounsel for Defendant ter Meer] you already reported that for 3 years you were predominantly active in the United States, and that also later you trav-

eled there very frequently. What was your basic attitude towards cooperation with the firms in the United States?

DEFENDANT TER MEER: Mr. President, may I ask a question before I start with my answer?

PRESIDING JUDGE SHAKE: Go ahead.

DEFENDANT TER MEER: I am in a somewhat awkward situation by the fact that I have no German books here and I have several times to quote from the original texts. Now this original text is English, of course, so it would be easier for me if I could relate the whole story in English. Is that permissible?

PRESIDING JUDGE SHAKE: It is entirely permissible with the Tribunal. I should like an opportunity to ascertain from the translation staff if that will occasion any difficulties * * *. They say not. So you may proceed.

DEFENDANT TER MEER: Thank you.

Now, my position with respect to conversation with foreign concerns about technical questions and scientific questions has always been a very positive one. As well as science is international, I consider that technology and the execution of technical processes in the field of chemistry should be considered to be also international, and that it could be only useful for both partners concerned if they exchange their knowledge and experience.

I have always been of this opinion, and I think I have contributed to a certain extent to follow up this maxim. There has been presented Document NI–9784, Prosecution Exhibit 57* in which there is mentioned a conversation which gentlemen of the du Pont Company, of Wilmington, had with me in the year 1933. Du Pont and I.G. Farben had been very strong competitors in the dyestuffs field in earlier years, and the relations had been at the end of the twenties rather difficult. Dr. von Schnitzler and myself had succeeded in overcoming these difficulties, and from that time on we have always discussed all technical or chemical or commercial questions between the two concerns in a very open-minded way.

I think I mentioned already that du Pont gave us in 1938 and 1939 a license on their nylon patents. This cooperation is also a consequence of the friendly cooperation which had been started in earlier years. Du Pont did not only offer us a license, but they underlined specifically that they wanted to have our cooperation in the nylon field too, because it was a certain strength of I.G. Farben to develop new processes in the field of intermediates which might lead to a cheaper production of nylon or to special brands of nylon in later years.

* Not reproduced herein.

DR. BORNEMANN: Could you explain to me more in detail in what field I.G. Farben cooperated with the United States firms, and what important contracts there were?

DEFENDANT TER MEER: My counsel has introduced, under Document ter Meer 102, ter Meer Defense Exhibit 174,* an affidavit of Dr. Loehr on agreements made between I.G. Farben and American firms. On pages 4, 5, 6, 7, 8 — no, 6-a, 6-b, and so on, — 7, 8 — are enumerated all those agreements which have been made between I.G. Farben on the one side and American concerns on the other side. By these agreements I mean only such agreements where technical cooperation and an exchange of know-how was provided for. This was in the broadest possible way the case for dyestuffs and intermediates.

The contract between I.G. Farben and the Grasselli Chemical Corporation of Cleveland, which I mentioned already yesterday; agreements in the pharmaceutical field with American group of pharmaceuticals — the Sterling Products Corporation, at Wheeling; an agreement on insecticides and fungicides between IG and the du Pont Corporation; agreements in the photographic field with Agfa Ansco Corporation, Binghamton; the broad agreements which have been mentioned by Dr. von Knieriem with Standard Oil of New Jersey in the oil fields and in the Jasco field; and then the agreements on magnesium metal and magnesium alloys with the Aluminum Company of America.

Those are very broad agreements which do not simply cover one specific patent or one specific product, but which cover either a whole class of products like dyestuffs, pharmaceuticals, the oil field, and so on; or in the case of magnesium, cover a broad field in such a way that not only the manufacture of magnesium was in this case important but, even much more, the application and use of magnesium alloys in the various methods of application of such light metals, in which field IG had the largest experience, I may say, in the world, and paid special attention to developing special processes.

Besides the before-mentioned agreements where, in every case, a broad exchange of experience and know-how and the transfer of patent rights was provided for, Dr. Loehr mentions not less than forty agreements in all fields of chemistry, among them some important ones like styrene, polystyrene, with the du Pont Company; urea resins with the Ellis-Foster Company; an agreement on acetylcellulose with the Hercules Powder Company in Wilmington; an agreement on synthetic detergents, which serve as soap substitutes, with Lever Brothers at Boston; and even the

* Not reproduced herein.

famous Perchloron with the Pennsylvania Salt Company, famous because that is the base for Losantin.

This cooperation with all these American concerns was continued until the day the war broke out, and even in some cases beyond. Alone in 1938 and the following years, not less than sixteen new agreements were concluded which are contained in the before-mentioned forty.

In these agreements which have been made in 1938–39, in the so-called crisis years in Europe, are some which are really very important; for instance, one which covers the manufacture of phosphorus. Now everybody knows what phosphorus is, or the value of phosphorus in wartime.

Not included in these agreements are a comparatively large number of agreements of small importance by which interferences in the patent field between IG and an American concern were eliminated by a simple exchange of patent rights. These are not included here.

I must say that being a technical analyst with a certain knowledge in the chemical field, I could not tell where else we could have cooperated in America in the technical field. This is the broadest cooperation in the field of chemical industry with a specific country in the world I have ever heard about, and I don't think that there exists an American concern or an English concern which has a comparable amount of agreements with foreign concerns in the chemical industry.

Q. It would be correct for me to deduce from your statements that I.G. Farben in no country in the world had concluded as many and as important contracts as with the United States of America?

A. That is certainly true. And the reason is a very simple one. America is a very big country. It is rich in raw materials of all kinds. It has a large population with a high purchasing power, and has an industry which is, since the end of World War I, progressing very quickly, quite specifically in the field of applied chemistry.

Q. Was the cooperation with I.G. Farben liked and supported by American firms; can you give me any examples there?

A. Well, I should say so. The cooperation from American concerns with I.G. Farben was very much liked, and the reason was this, that the American concerns knew exactly that we carried on scientific and development work on a very large scale; they knew at the same time that IG dealt within the field of chemistry in by far the largest number of important fields of new development. Beginning with the hydrogenation and the nitrogen field, up to pharmaceuticals and photographic articles, so many American

firms who more or less specialized in a certain line of products nevertheless found always some point of common interest with I.G. Farben, and therefore, very friendly cooperation developed with Standard Oil, and our closer friends in the dyestuffs and pharmaceutical and photographic fields, specifically with such important firms like Hercules Powder Company, Wilmington; Monsanto Chemical Company; Rohm & Haas Company; Pennsylvania Salt; and others.

The cooperation of I.G. Farben with American concerns has been looked at in our own circles from a somewhat different standpoint by the commercial and by the technical gentlemen; our commercial colleagues, of course, were more interested in exportations from Germany and importations into the United States, but that was not so very easy because the American chemical industry is protected by comparatively high customs duties.

On the other hand, progress in the chemistry field was a very quick one in America, so I was personally more of the opinion that a useful and, at length, profitable cooperation would better be sought in the field of an exchange of information, know-how, and patent rights.

Q. Before we specifically turn to the buna negotiations, Dr. ter Meer, I think it would be helpful if you at first explain some chemical concepts to us, which you are going to use later in your statement.

[The ensuing testimony of defendant ter Meer dealt with the development of synthetic rubber and the relations of Farben with various American companies in this field. This testimony is long and often technical and complicated, and involves many documents not reproduced herein. Only a few pages near the conclusion of the direct examination and from the cross-examination have been included here. The complete testimony on this matter may be found at the following pages of the mimeographed transcript: (Direct Examination, pp. 7044–7111; Cross-Examination, 7275–7295.)]

* * * * * * *

Q. How do you explain the fact that the prosecution makes a conclusion that Farben endeavored to oppress the research and development of buna in the United States?

A. Well, I don't know. According to my opinion, and as I have said before, it is probably due to a lack of knowledge about the complicated technical, economic, and contractual aspects of the matter. A retrospective study of letters and records, and so on, leads sometimes to wrong conclusions, which seems to me the case here. One has to take into consideration that the whole matter raised much dust in the United States after Pearl Harbor. There were the Senate hearings at Washington, and all the rest of it.

To make a long story short, in my opinion, we have here a typical case of the development of a myth. If the prosecution says

in the trial letter: "But ter Meer did not enter into any final contractual arrangement, and in the spring of 1939 negotiations along the line came to an end" — so this is erroneous again. As a matter of fact, the tire experiments were conducted until the very outbreak of war in Europe, as the documents show, the reports of Mr. Beller of 21 July 1939, and the preparations for the arrival of Dr. Koch in August 1939.

Q. Were there negotiations continued after war broke out in Europe?

A. No, these conversations about bringing the buna-S know-how to the United States, to build there a big plant, and to come to that cooperation which I explained before, came to an end by the outbreak of the war. The only thing which happened was what I may call the epilogue of the Hague Conference. It was, as far as I know, Mr. Howard's proposal to make a readjustment of the Jasco agreement. Dr. von Knieriem has reported on that. We transferred all the patent rights for buna to Standard Oil, as mentioned in Dr. Loehr's affidavit, Document ter Meer 104, ter Meer Defense Exhibit 176,* in book 6. There were seventy-seven patents. But we could no longer give know-how after the outbreak of war, especially in connection with the fact that through the readjustment of Jasco, Standard Oil took over the patent rights for France and England, two countries which we were at war with.

Q. Did you negotiate with the German authorities (after the war broke out) about surrendering know-how?

A. To the best of my recollection there was no fundamental discussion with any number of gentlemen of the Reich Ministry of Economics, or anything of that kind. Probably I saw in those months several times Dr. Eckel of the Reichsamt fuer Wirtschaftsaubau [Reich Office for Economic Development] who at the same time, as I mentioned, was an official of the Reich Ministry of Economics; and we may have touched upon this point too. But I don't think I had an official conversation with the Reichswirtschaftsministerium, [Reich Ministry of Economics]; and I think there was no prospect of any success for having the permission to transfer under these new conditions know-how to the United States. And, well, I am not the type of man who like to be taught a lesson by state officials.

Q. Did you at any time have the intention to damage the war potential of the United States and to weaken it?

A. No.

Q. You know that the prosecution charges you with that.

A. No, at no time did the thought come up with me that the

* Not reproduced herein.

buna matter could have anything to do with the war potential of the United States at all. The United States had as much natural rubber as they wanted to have — and cheaper than buna-S. Now, if I had had—which is not the case—military ideas about this matter, I would have come to exactly the same result.

The United States Navy ruled over the Pacific, and Japan was much too weak to do anything against the strong position of England in the Far East, which was protected by the powerful fortress of Singapore. One would have had to be a prophet at that time in order to foresee the events which took place after Pearl Harbor. I think if anybody had told the Americans in 1939 what happened at Pearl Harbor, and that later on Japanese forces went through Malaya, attacked Singapore, took the strongest fortress of the world in a short time; that shortly before that the two most powerful battleships of the English Navy were sunk by Japanese aviators; that then the Japanese Navy occupied Sumatra and Java, and got about eighty-five percent of the natural rubber production of the world in their hands—I am afraid a man would have called such a man a lunatic.

Q. What can you say about the statements, submitted by the prosecution, made by certain defendants about international negotiations and agreements and the intention of the German Government and Farben to maintain the German Wehrmacht as strong as possible?

A. There have been such statements. I recall that quite well, and the explanation I have for such statements is this: That the persons in question who made such statements knew something about the law concerning high treason for the transfer of know-how and so on, but did not know in detail which attitude those persons in I.G. Farben had, and took, in connection with carrying out their contractual obligations towards firms abroad.

Q. In book 48, the prosecution has filed a number of documents which are to show that Farben used Chemnyco in order to carry on espionage in the United States in the Field of synthetic caoutchouc. These are documents of the Prosecution Exhibit 880, NI–10662, Book, 48, page 10 of the English and German; Exhibit 881, NI–10579, Book 48, Page 11 of the English and German; and Exhibit 875, NI–10577, Book 47, page 103 of the English and 183 of the German.*

Do you remember these documents, and can you make any statements about them, Dr. ter Meer?

A. Yes, I recall these exhibits quite well. Here again is an entire misunderstanding about the actions of Chemnyco. . . I think that within the exhibit presented for the case buna—U.S.A., there

* None of the documents mentioned is reproduced herein.

are at least a dozen letters and cables exchanged between either Chemnyco and IG, or between Mr. Howard and Chemnyco; or Mr. Hochschwender, who is Chemnyco, and Howard, or myself, including the reports on the road tests and tire tests made by the four big rubber companies at Akron; reports which were then sent to Dr. Konrad at Leverkusen by Dr. Beller of Chemnyco, so that the nature of this work is now more than clear.

I would like to add that the role of Chemnyco was a very clear and simple one. Dr. Hochschwender was at New York, a kind of technical representative of I.G. Farben; and he carried out specifically the agreements existing between Standard Oil and I.G. Farben. Such complicated agreements require a personality who is a connecting link, if an ocean separates two companies, as was the case here, and I may recall in this respect that du Pont, as I mentioned beforehand at the beginning of my report on conversations with American firms, had at London a company which had exactly the same tasks that Chemnyco had for I.G. Farben in New York. That is to say, being a connecting link for probably du Pont and I.C.I. [Imperial Chemical Industries, Ltd.] in England, who cooperated very closely together, but at the same time for collecting information about developments of chemical industry in all of Europe. And from one of the documents which has been introduced in this connection, it is shown that I myself invited Dr. Zimmerli of that London office of du Pont to get in contact with the leading scientists of our big laboratories at Ludwigshafen, Hoechst, and Leverkusen. I wouldn't have invited him if I thought he was a spy, or something like that. He was sent to Europe in order to follow up those developments which were open to everybody and to every decent man, and he approached me in order to ask my permission whether I would introduce him to my cooperators in the scientific field, which I did. That is usual procedure of big concerns.

(Recess)

DR. BORNEMANN: As to the end of this morning's chapter, I have only a few more questions to ask you. The Trial Brief [of the prosecution] mentions that in 1942 you wrote a letter to [the defendant] Professor Krauch, which the prosecution has introduced as Prosecution Exhibit 960, Document NI–10455*, in book 42 German text page 125, English 136. In that letter you stated, and I quote:

* This document included the letter from the defendant ter Meer to defendant Krauch and 6 enclosures thereto. Only the first enclosure, a file note by defendant ter Meer of 21 March 1938 concerning a discussion with General Loeb and others is reproduced herein. See subsection L 2 above.

"In conclusion I should like to state that information concerning the process and practical knowledge in connection with the *** production of buna-S and buna-N*** has never been made available abroad."

Please express yourself on this statement. As far as I was able to follow you, the experiments conducted in Baton Rouge, the intensive inspections of your experimental plant in Oppau by representatives of American companies, the giving of reports, drawings, samples, and so on; and finally the tire experiments conducted in America gave much know-how to the United States. Is that correct?

A. That's absolutely correct. Now, the letter which I wrote to Professor Krauch in 1942 * * * yes * * * was written after Pearl Harbor, and I had got a letter from Mr. Krauch, or Mr. Krauch's office, asking about the transfer of know-how in the buna field to American concerns. Now, Germany was at war with the United States, and I was afraid that an investigation could be made in Germany in order to find out whether we had given know-how to the United States without the consent of the government agencies, and that might be a very nasty thing, not only for myself, but also for my associates in the works who had given that know-how after consulting with me. These things were not a joke in Hitler's Germany, and I therefore denied to have forwarded any information on know-how.

I agree that this statement was not correct. We had given Standard Oil informally a good deal of information. We had acquainted the rubber goods manufacturers with our main buna brands and with full information about handling and processing of buna, including tire manufacture. I am quite sure that it was not casual when the United States based their self-sufficiency during the war primarily on buna-S. They knew the product, and they produced it.

Q. What feelings did you have when the war broke out between Germany and the United States? Was it not a great disappointment for you that the outbreak of war destroyed your plans in the United States?

A. You mean the outbreak of war in Europe?

Q. Yes.

A. Because at that time the conversations with Standard Oil came practically to an end.

Yes, it was a very great disappointment for me. In summer 1939—July or August—after having received those favorable reports on the tire experiments in the United States, I believed to have all the good cards in my own hands, and I was very hopeful and looked forward to that trip to the United States I was

going to make in September or October, and everything was already foreseen for that. Dr. von Knieriem was informed; Dr. Ambros and Dr. Mueller-Cunradi were both informed to reserve a certain number of weeks for going to the United States in order to talk business at once, and all this, of course, had to be given up. That was a very great disappointment.

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CROSS-EXAMINATION

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MR. SPRECHER: Now, yesterday we were last talking about the employment of foreigners under the regulations from 1935 on. I have one last question in connection with secrecy at this time. Our Exhibit 143, Document 2276 PS, document book 6, page 45 English, is a statement by Dr. Ley,[1] the leader of the German Labor Front as well as the Reich Organization leader for all of the Party organizations. In preparation for my question I would like to read you the first sentence to that statement. "During the years from 1933 to 1939, everything necessary has been done in secrecy that seemed necessary to the conservation of the nation in the anticipated clash with an envious surrounding world." Now, when you yourself observed the constantly intensified secrecy surrounding so many of the projects of IG and the DAG before 1939, did you consider that most of the projects were sufficiently related to military matters so that from a military point of view it really was appropriate to keep these matters and these projects secret?

DEFENDANT TER MEER: As far as these projects were of a military nature, it seems to me to be natural that they were subject to secrecy. Quite generally I wish to say that these secrecy measures seem to be somewhat exaggerated, and they probably seemed to us exaggerated at the time.

* * * * * * *

MR. DUBOIS: Let me show you, Dr. ter Meer, an exhibit which the prosecution has already put in Document NI–10447, Prosecution Exhibit 958.[2] It is in book 42, page 132 of the English, 118 of the German. That is this memorandum which has been mentioned here before from Buetefisch, a file memorandum by Buetefisch concerning oil.

Now, I ask you to look at the second and third paragraphs of that letter, and I ask you to tell me whether or not the description of the way in which Buetefisch said Farben handled the exchange

[1] Document 2276–PS is reproduced in full above in subsection L 2.

[2] Reproduced above in subsection L 2.

of know-how with respect to oil is a fair description of the way Farben handled the exchange of experience with respect to buna, particularly during the period after the government orders prohibiting the giving of know-how were issued.

A. I assume that you mean that in the oil field experience was given after the war broke out, but that was not the case in the buna field. There is a difference there.

Q. I do not mean that, Dr. ter Meer. If you read part of that, it says: "Up to now we have carried this exchange of know-how out in such a way that from our side we have only sent reports which seemed unobjectionable to us after consultation with the OKW and Reich Ministry of Economics, and which contained only such technical data as concerned facts which are known or out of date according to the latest stand. In this way we have managed the handling of the agreements so that in general the German economy remained at an advantage.

"In order to maintain the contact with neutral countries abroad and the oil companies located there, we consider it expedient to continue this exchange of know-how in the form drawn up, retaining, on our part, the guiding principle that under no circumstances must any know-how of military or military-political importance get abroad in this way."

I merely ask you this, whether that statement which I just read is a fair description of the way in which Farben handled the exchange of buna, exchange of experience with respect to buna, during the period after June 1935?

A. No. These things have nothing to do with each other.

* * * * * * *

e. Testimony of Defendant Gajewski

EXTRACT FROM THE TESTIMONY OF DEFENDANT GAJEWSKI*

CROSS-EXAMINATION

* * * * * * *

MR. AMCHAN: Dr. Gajewski, you heard Dr. von Knieriem and Dr. ter Meer testify with respect to the appointment of Herr Merbeck, M-e-r-b-e-c-k, to the counterintelligence unit of the Vermittlungsstelle W. Now, I ask you, is it not a fact that you also approved that appointment?

DEFENDANT GAJEWSKI: Possibly; I don't know.

Q. Did you know at that time that Mr. Merbeck was a member of the Gestapo?

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* Further extracts are reproduced above in subsection V C 3, and VII C 5, below in subsection M 5, and in subsection VIII F 5, volume VIII, this series.

A. No, I didn't; I don't remember that anyhow.

Q. I show you Document NI–13545, which we offer in evidence as Prosecution Exhibit 1951.[1] It's a letter from you to Professor Selck, September 1934. By the way, who was Professor Selck?

A. Professor Selck was a Vorstand colleague in Frankfurt on the Main. I wrote in a letter to him that I couldn't give any information, and advised the raw material commissariat to call on Mr. Merbeck, who was a member of the Gestapo, and, therefore, obligated to give information to government agencies. Whether that was actually the case, I don't know.

* * * * * * *

f. Testimony of Defendant Oster

[Statement from the judgment concerning personal history, positions, and affiliations of defendant Heinrich Oster:

"*OSTER, Heinrich*: Born 9 May 1878, Strasbourg, Alsace-Lorraine. Doctor of philosophy (chemistry). 1929–1931 deputy member of Vorstand; 1931–1945 full member of Vorstand; 1929–1938 member of Working Committee; 1937–1945 member of Commercial Committee; 1930–1945 manager of Nitrogen Syndicate; member of East Asia Committee and chief of Farben's sales organization for nitrogen and oil; member of several control groups in Germany, Austria, Norway, and Yugoslavia.

"Member of Nazi Party; supporting member of SS Reitersturm (mounted unit); member of Germany Labor Front; chief or member of various sections of official or quasi-official bodies. During World War I received the Iron Cross and several State decorations. During World War II received the War Service Cross."]

EXTRACTS FROM THE TESTIMONY OF DEFENDANT OSTER[2]

CROSS-EXAMINATION

* * * * * * *

MR. SPRECHER: Do you recall being present at a Commercial Committee meeting in May of 1939 when the Commercial Committee decided that no foreigners were to be employed at the central agencies of IG?

DEFENDANT OSTER: Well, if I am mentioned in the list among those present, then I was certainly present.

Q. In that connection, we will introduce Document NI–6084, as Prosecution Exhibit 2111[3] so as to bring into the record item 6 which is headed "Employment of Foreigners by the IG." I will see that you have a copy over the recess. I have no further questions about that.

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[1] Reproduced above in subsection L 2.

[2] Complete testimony is recorded in the mimeographed transcript 5, 7 April 1948, pp. 10665–10789.

[3] Reproduced in part above in subsection I 2.

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DR. HENZE (counsel for defendant Oster): During the cross-examination, minutes were submitted of the 22d meeting of the Commercial Committee [Pros. Ex. 2111] and paragraph 6 was pointed out which bears the heading, "Employment of Foreigners by IG."

It says: There is agreement that in principle no foreigners shall be employed at the central agencies. As far as such foreigners are concerned who are to be trained in the use of our products, each case will be decided on its merits as to whether employment is possible."

Did you actually execute this decision at the Nitrogen Syndicate?

A. I do not think it was a decision. It only reads here that there is an agreement. Moreover, I recall that starting from a certain period, the employment of foreigners was regulated by the authorities. I remember that I too had a foreigner in my office, a harmless individual who was working on statistics. Consequently I was annoyed by the plant foreman because he didn't like to see him there, but at any rate, I did retain that man in the Department for Statistics. I only mention that to show that there must have been some regulation which aimed at discontinuing the employment of foreigners at the important positions of the plant. I do not know whether there is any connection there, but it is possible I do not remember exactly this particular meeting of the Commercial Committee.

* * * * * * *

M. Farben, Dynamit A.G. (DAG), and the Production of Explosives

I. INTRODUCTION

The indictment charged Farben with producing "huge quantities of materials of war, including *** explosives" (par. 18), and alleged that "Farben and its subsidiaries produced 84 percent of Germany's explosives and 70 percent of Germany's gunpowder from its nitrogen production" (par. 38). Although there was some dispute at the trial concerning the extent of the production of explosives by Farben, DAG, and other Farben subsidiaries, the central issues with respect to this aspect of the case were the nature and extent of Farben's control over DAG and the knowledge which the defendants had of DAG's activities.

There was no substantial dispute about the following related points: that Farben owned a majority of the voting stock of DAG,

that Farben and DAG had a community-of-interests agreement dating from 1926, under which Farben had the power to dissolve DAG at will upon the performance of certain conditions; that the defendant Schmitz, chairman of Farben's managing board, was also chairman of the supervisory board (Aufsichtsrat) of DAG; that the DAG was attached to Farben's Sparte (Main Group) III, the chief of which was the defendant Gajewski; that the defendant Gajewski was a member of the supervisory board of DAG; and that Paul Mueller, the chairman of the managing board of DAG, attended the meetings of Farben's Technical Committee and Farben's Commercial Committee. However, the defense offered evidence in support of the claim that Mueller, the chairman of DAG's managing board, had a definite agreement that the management of DAG was to be independent of Farben; that the DAG was particularly independent of Farben in technical matters; that the official secrecy surrounding DAG's production of explosives and gunpowder for military purposes was such that the defendants were prevented from learning anything substantial about the nature and extent of DAG's military production; and that even greater secrecy surrounded the activities of a DAG subsidiary, the Verwertchemie, which constructed and operated numerous plants for the Armed Forces.

Strangely enough, some of the issues with respect to DAG's position as an independent concern had been litigated in a turnover tax suit before German agencies and German courts between 1938 and 1943, and in this litigation DAG and Farben had taken the position that DAG was a dependent subsidiary of Farben, similar in nature to other specialized plants and branches of Farben. In one of its petitions the DAG argued: "If the facts of the case are properly appraised, there is no disputing the fact that our corporation was dependent upon I.G. Farbenindustrie A.G., Frankfurt/Main, in financial, economic, and organizational respects, not merely in the period from 1 January 1927 till 30 November 1938, as acknowledged by the Reich Finance Administration (Reichsfinanzverwaltung) after repeated audits, but that this dependence also fully subsisted in December 1938 and that it continues today."

Although the central files of the DAG at Troisdorf, Germany, had been destroyed before the Allied occupation of Germany, voluminous contemporaneous documents on Farben and DAG were pieced together from various other files, and a number of them are reproduced below. The arrangement of the materials reproduced in the present subsection is as follows: two affidavits and extracts from the testimony of Dr. Struss, Chief of the Office of Farben's Technical Committee (2 below); testimony of the de-

fendant ter Meer concerning the financial and technical relation between Farben and DAG (3 below); a number of contemporaneous documents (4 below); extracts from the testimony of Defendant Gajewski (5 below); and extracts from the record of the tax litigation, together with extracts from the testimony of defendant von Knieriem concerning the making of false declarations in formal petitions in litigations of this kind.

2. TWO AFFIDAVITS AND TESTIMONY OF DR. STRUSS

a. Affidavit of Dr. Ernst Struss, Chief of the Office of Farben's Technical Committee, Introduced by the Prosecution

COPY OF DOCUMENT NI–8313
PROSECUTION EXHIBIT 325

AFFIDAVIT OF DR. ERNST STRUSS, 3 JUNE 1947

I, Dr. Ernst Struss, director of I.G. Farben, chief of TEA Bureau of IG, Secretary of the Technical Committee of the Vorstand of IG, Manager of Division II [Sparte II] of the Vermittlungsstelle W, and, since 1943, production manager of the entire German dyestuffs industry within the framework of the Economic Group Chemical Industry; after having first been warned that I will be liable for punishment for making a false statement, state herewith under oath, of my own free will and without coercion, the following:

I. Nitrate is the essential raw material for the production of gunpowder and ammunition. The basic element in nitrates production is nitrogen. I.G. Farben developed the Haber-Bosch process for the fixation of nitrogen from air. It thus made Germany self sufficient in nitrates. Farben became the largest nitrates producer in the world and, by exporting on a large scale displaced Chile, which up to then had been the main source for nitrate supplies on the world markets. It was Farben's unique position in the nitrate field which prompted the biggest German producer of gunpowder and ammunition, the Dynamit A.G. vormals Alfred Nobel in Troisdorf, to come to a community-of-interests agreement with I.G. Farben in 1926.*

I.G. Farben soon succeeded in dominating the Dynamit A.G. In the first place, the Dynamit A.G. (DAG) was dependent on IG for nitrates. Moreover, IG held over 50 percent of the voting rights in the DAG. Furthermore, IG was represented in the Auf-

* Concerning the community-of-interests agreement between Farben and DAG, see the extract from the "Handbook of German Joint Stock Corporations," Document NI–7221, Prosecution Exhibit 323, reproduced below as the first document in subsection M 4.

sichtsrat of DAG by Bosch, Duisburg, Gajewski, and Schmitz. Finally, Director General Dr. Paul Mueller* of DAG was a member of the IG-TEA [Technical Committee]. All credit applications of DAG were discussed in the IG-TEA which, with this exception, was entirely composed of I.G. Farben men. This meant in fact that DAG required IG's approval for any replacement or enlargement or new building, or the purchase of a site or machinery. DAG was thus completely dependent on IG in the fields of finance and investments.

II. I.G. Farben also had a dominating position in the production of intermediates for explosives. I.G. Farben manufactured the following intermediates in its plants:

Synthetic toluol	Waldenburg
Nitro and binitrotoluol	Leverkusen
	Griesheim
	Hoechst
Binitrobenzene	Leverkusen
	Griesheim
	Hoechst
Dinitrodiphenylamine	Ludwigshafen
Guanidine nitrate	Leverkusen
Ethylenediaminenitrate	Ludwigshafen
Pentaerythrite	Ludwigshafen
Preliminary product for hexogen	Hoechst
Hexamethylenetetramine	Elberfeld
Stabilizers	Uerdingen
	Wolfen
	Auschwitz (planned)

III. According to my estimate, I.G. Farben and its subsidiaries, DAG and WASAG, manufactured 84 percent of Germany's explosives and 70 percent of Germany's gunpowder from its nitrogen and intermediates production.

I have carefully read each of the 3 pages of this declaration, and have signed them personally. I have made the necessary corrections in my own handwriting and initialed them, and I declare herewith under oath that I have given the pure truth to the best of my knowledge and conscience.

[Signed] DR. ERNST A. STRUSS

* Deceased at the time of the Farben Trial.

b. Affidavit of Dr. Ernst Struss, Introduced by the Defense

TRANSLATION OF DOCUMENT TER MEER 65
TER MEER DEFENSE EXHIBIT 36

AFFIDAVIT OF DR. ERNST STRUSS, 21 JANUARY 1948

I, Dr. Ernst August Struss, residing in Frankfurt/Main, Gaertnerweg 59, of German nationality, having been cautioned that any false statement on my part will render me liable to punishment, and that the following statement regarding the inspection reports of the Dynamit Aktiengesellschaft will be submitted as evidence to the Military Tribunal in Nuremberg, hereby declare on oath, voluntarily and without coercion:

Inspection Reports on the Dynamit Aktiengesellschaft

The annual inspection reports of the DAG proper and of the firms affiliated to the DAG were submitted to the office of the Technical Committee regularly and perused by me. I never submitted these reports to Dr. ter Meer, because I knew that he was not interested in them.

On several occasions the Verwertchemie* was also mentioned in the inspection reports of the Dynamit A.G. However, I never formed a clear idea regarding this company, since the name Verwertchemie did not mean anything in particular to me. The office of the Technical Committee never received any reports from the Verwertchemie.

The turnover figures of the Dynamit A.G. which I have submitted to Dr. ter Meer occasionally, together with the turnover figures for the IG, were not taken from the inspection reports but from statements which we received quarterly from the central bookkeeping department.

Frankfurt/Main, 21 January 1948

(Signed) DR. ERNST A. STRUSS

The above signature, which I hereby acknowledge of Dr. Ernst A. Struss, residing in Frankfurt/M. Gaertnerweg 59, was executed before me here, on 21 January 1948, which I hereby certify and attest.

Frankfurt/M., 21 January 1948

(Signed) HELMUTH HENZE
Defense Counsel at Case VI before
the Military Tribunal in Nuremberg

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* The "Gesellschaft zur Verwertung Chemischer Erzeugnisse m.b.H.," a DAG subsidiary established for the construction and operation of stand-by plants of the Armed Forces. The abbreviated name "Verwertchemie" was commonly used in both the documents and the testimony.

c. Testimony of Dr. Struss

EXTRACTS FROM THE TESTIMONY OF THE PROSECUTION WITNESS DR. ERNST STRUSS[1]

CROSS-EXAMINATION

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DR. BERNDT (counsel for defendant ter Meer): I shall now turn to Prosecution Exhibit 325, Document NI–8313,[2] book 12, page 77 in the English. I don't know the page in the German.

This affidavit, Witness, deals with relations between Farben and Dynamit A.G. May I ask you whether you know the motives for the conclusion of such a contract establishing a community of interests between Farben and the Dynamit A.G.?

WITNESS STRUSS: I'm informed about this matter by a short report which Geheimrat Bosch gave us in the TEA, probably in 1926. He said approximately this: "An American firm has acquired a share of ten percent in the Dynamit A.G. We cannot permit this important firm to come into foreign hands. Therefore, we have taken a controlling interest in the Dynamit A.G."

Q. Then it wasn't only the exalted position of Farben in the field of synthetic nitrogen production which motivated Dynamit A.G. to conclude this community-of-interests agreement with Farben?

A. That was certainly one of the reasons, but doubtless not the sole reason.

Q. When this agreement was concluded, were there also reasons such as the unfavorable development of DAG's balance sheets, losses in the artificial silk field?

A. That is true, and my superior at the time, Dr. Krekeler, told me that, but I do not know any details about it.

Q. On page 1 at the bottom of your affidavit you stated: "I.G. Farben soon succeeded in dominating the Dynamit A.G." Didn't the Dynamit A.G. — that is a stock corporation — didn't they have a legally responsible member in the Vorstand in the person of the Generaldirektor, Paul Mueller?

A. Yes. The formulation that I chose here is not very fortunate. It does, it is true, correspond to the facts, but it refers only to financial influence, not to technical influence.

Q. Does it not refer not only to the technical but also to the personnel direction of Dynamit A.G.?

A. Certainly. The personnel direction of Dynamit A.G., was in the hands of Dr. Paul Mueller alone.

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[1] A further extract is reproduced above in subsection I 4 *b*.

[2] Reproduced immediately above.

Q. Was not Dr. Paul Mueller a very independent person, perhaps even a stubborn person, who insisted on his independence even at work?

A. Yes, certainly. He was definitely a leader.

Q. Then in that direction, that formulation was not correct; namely, that Farben very soon succeeded in controlling the Dynamit A.G.

A. Not from the technical viewpoint. That is not what I meant.

Q. Tell me, did Dr. Mueller or any other gentleman of Dynamit A.G. ever work in the TEA?

A. Yes.

Q. Did he report there about details of powder production or about special questions of the explosives field?

A. Never.

Q. Did he report there about other matters?

A. About the synthetics field, yes. I believe that a special agreement existed between him and Geheimrat Bosch that he should not report about his special fields, powder and explosives.

Q. Dr. Mueller was an official member of TEA, wasn't he?

A. Yes.

Q. Was he active there, or was he only a guest at these meetings?

A. It was probably this way: Although he was a member, people considered him a guest, and of course he did not take any hand in the internal affairs of the TEA.

Q. On page 2 of your affidavit you say that all DAG requests for credit were discussed in the TEA.

A. This request had certainly been made to Dr. Mueller by Geheimrat Bosch, and he usually complied with his requests.

Q. I have another affidavit that you made, that is, that big affidavit about the whole organization of Farben. In that affidavit on page — oh, excuse me. That is Document NI–9487, Prosecution Exhibit 391,* in the German book 15, page 2, in the English book 15, page 65. In that affidavit you gave certain facts about affiliated plants of Sparte III, including the Dynamit A.G. The following sentence is contained there: "Money for new construction in the military field was appropriated irregularly or not at all from about the beginning of the war on." It seems to me that there is a contradiction between your statements and what I have just read now.

A. That is true. You must take into account that this time of 1926 until 1945 is rather a long time, and during all that time Dr. Mueller asked for these credits rather regularly, but then this

* Not reproduced herein.

interruption did occur when the war broke out, but I noticed that only at a late date in the war.

Q. Very well. But the DAG had certain military enterprises that they had constructed before the war with Reich funds. That is correct, isn't it?

A. Yes.

Q. Were these ever discussed in the TEA?

A. Never.

Q. Oh, never. Did you know anything about these military enterprises at all?

A. I only learned about them during the war, and that only in part. An exact knowledge of affairs I gained only during the last months after I was able to look into the official records in the Control Office.

Q. Then you knew nothing about the military enterprises of the DAG, and only learned of them during the war?

A. Yes, only during the war.

Q. Under II of your affidavit, Prosecution Exhibit 325, you mention intermediate products for explosives. You mention synthetic toluene and the plant in Waldenburg. May I ask you, first of all, when was Waldenburg constructed?

A. The time when Waldenburg was constructed you can also find in this long affidavit. It must have been around 1940 or 1941.

Q. It was in 1942?

A. Yes.

Q. Synthetic toluene was produced there. May I ask you who originated the process according to which this toluene was produced?

A. I also dealt with that subject in this long affidavit. It was a process of the Linke-Hoffmann-Huette which was not worked out by Farben.

Q. That was not a Farben process?

A. No.

Q. In the last paragraph, Roman III of the affidavit, you state that according to your estimate, Farben and its branches, DAG and WASAG produced 84 percent of German explosives and 70 percent of Germany's gunpowder. Didn't you get this fact from the consideration that the Dynamit A.G. and the WASAG were counted as enterprises of Farben?

A. Yes. That was the reason, and Mr. Ritchin told me to include these in this compilation in the summer of 1945.

Q. Did the IG plants proper produce finished explosives?

A. No, only dinitro-benzene, which was produced in a comparatively small amount by Farben, could be called a finished explosive.

Q. The next affidavit is Document NI–10030, Prosecution Exhibit 48.* It is in document book 2. It is one of these large charts that I don't have to deal with any further, but I should like to ask you briefly, before the war broke out, did you know of the plants of the Verwertchemie?

A. No, not a single plant.

Q. To whom did these plants of Verwertchemie belong?

A. I only learned that during the course of this summer, when studying the files of the Dynamit A.G. and the Verwertchemie, that these were plants which were constructed at Reich expense and which were operated by the Dynamit A.G.

Q. Were these plants ever discussed in the TEA?

A. Never, not even mentioned.

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REDIRECT EXAMINATION

MR. SPRECHER: Dr. Struss, is it true that both the IG and DAG had special technical relations with a number of plants which were built with Reich funds. Is that correct?

WITNESS STRUSS: Yes. I understand that to mean that about thirty plants of the Verwertchemie were under the technical direction of Dynamit A.G.

Q. And when were most of these plants built?

A. Most of these plants were built after the war began.

Q. Now, did you know that some such plants were being operated, from a technical point of view, by DAG? At the time, I mean.

A. I did not know these plants. I have heard names of about four or five of these 30 plants only at a late date in the war.

Q. My point is, did you know that DAG was running such plants, whether or not you knew the names of the plants or how many there were or who was in charge of them?

A. I was able to draw such a conclusion from the fact that Dr. Mueller requested chemists from us for the operation of new plants.

Q. Did some problems come up about some of the intermediate products that would have to be sent to some of these plants?

A. I did not exactly understand the question.

Q. I say, did some technical problems come up because of the necessity of transferring raw materials or intermediate products to those plants? From IG plants, that is to say.

A. I am not sure what you mean by this. Intermediate products for trinitrotoluene were made in four plants of Farben. Trinitrotoluene is an explosive, and the intermediate products, espe-

* Not reproduced herein.

cially dinitrotoluene, were produced in four Farben plants, and then turned over to the explosives plants for finishing.

Q. And when did you know that?

A. This probably happened already before the war, in small amounts, but large amounts, as far as I know, were only produced after the war with France was finished.

Q. And was it known by the members of the Technical Committee that after the war began certain credits or certain finances by which DAG was conducting its business were not passing through the Technical Committee? Did you people in the Technical Committee know that?

A. I was probably very sure that secret credits which the DAG had were not submitted to us, but I cannot say whether the other members of the Vorstand thought about these things.

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3. TESTIMONY OF DEFENDANT TER MEER

EXTRACTS FROM THE TESTIMONY OF DEFENDANT TER MEER[1]

DIRECT EXAMINATION

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DR. BERNDT (counsel for the defendant ter Meer): In this affidavit [ter Meer Document 65, ter Meer Defense Exhibit 36][2] Dr. Struss states that the yearly DAG reports were sent to Farben, but that Dr. Struss never submitted these reports to Dr. ter Meer; and in the last paragraph Dr. Struss states that turnover figures for the DAG were submitted to Dr. ter Meer on the occasion when he turned over the figures for Farben, and that he received them every 3 months from the Central Bookkeeping Administration. Would you please state your opinion of the relationship between the DAG and Farben?

DEFENDANT TER MEER: During earlier examinations and submission of documents, it was already proven that the majority of the stock shares of the DAG was in possession of Farben, and that there was a contract of community of interests concluded in 1926, I believe, between the two enterprises.[3] Quite apart therefrom, however, the relationship between Farben and Dynamit Nobel was one of complete technical independence. It is true that Dr. Paul Mueller was a member, or a guest, in the Technical Com-

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[1] Further extracts are reproduced above in subsections C 5*b*, E 3, G 3, H 4*b*, I 7*c*, J 4 K 3*a*, L 3*d* below in subsection O 7*a* and in subsections VIII C 6, D 3, D 6, E 4, and IX F 2 in volume VIII, this series.

[2] Reproduced in subsection M 2*b*.

[3] See extract from "Handbook of German Joint Stock Corporations," Document NI-7221 Prosecution Exhibit 323, reproduced below in subsection M 4.

mittee, the TEA,[1] but the plants of the Dynamit Nobel A.G. were managed by Dr. Paul Mueller completely independently. Dr. Paul Mueller was for many years the director of the Dynamit Nobel A.G. which already, during the earlier generation, had been owned by his family; and when he concluded the transaction with Farben in 1926, he made a specific condition that he should remain the independent manager of his own enterprise. The Dynamit A.G. quite formally belonged to Sparte III of the I.G. Farbenindustrie A.G. However, the head of Sparte III, Mr. Gajewski, did not derive therefrom any influence to be exercised upon the works of Dynamit Nobel A.G.[2]

Q. You know that Dr. Struss stated in his Affidavit, Prosecution Exhibit Number 325, that all credit applications of DAG were discussed in the TEA. But you also know that Dr. Struss, when he was a witness here on 9 October 1947, changed that statement.[3] But please tell me first of all how the credit applications of DAG were treated in the TEA.

A. Undoubtedly it was the case that during the first time after the mutual interest agreement was concluded and after Dr. Paul Mueller was taken into the TEA, the credits of the Dynamit Nobel A.G. were discussed in the TEA in the same manner as was done in the case of the other Farben plants. Dr. Struss testified that this treatment of credit applications during the later years, after the rearmament program was started, when one or another credit was to be kept secret somehow, that then all credits of the Dynamit Nobel A.G. were no longer discussed in the TEA, and that particularly applied during the time of war. Furthermore, the extension of munition enterprises which were based on the experiences of the Dynamit Nobel A.G., and operated by them, these were mostly stand-by plants which belonged to the Reich[4] where the money was furnished by the Reich, and those credits did not have to be submitted to the TEA. They derived their funds from some other place.

Q. Did you have any knowledge about these plants at all — that is, the plants you just now mentioned?

A. These stand-by plants, which were built by the Reich with the technical assistance of the Dynamit A.G. were so unknown to me, even by name, that when I stayed in Kransberg it happened

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[1] Mr. Mueller also attended meetings of Farben's Commercial Committee. When Defendant von Schnitzler wrote to Dr. Bosch, Chairman of Farben's Aufsichtsrat, about the reconstitution of the Commercial Committee on 12 August 1937, von Schnitzler stated: "In September we shall also contact Dr. Paul Mueller as to the way in which we should include the explosives interests in our circle." Prosecution Exhibit 361, Document NI-653, not reproduced herein.

[2] See testimony of Defendant Gajewski in subsection M 5.

[3] See extract from the testimony of Dr. Struss above in subsection 2*c*.

[4] The so-called stand-by plants were plants of the Verwertchemie, a wholly-owned subsidiary of DAG.

on two separate occasions that I read in a German newspaper a certain I.G. Farben plant "X" I no longer remember the name, is being destroyed. Since Dr. Ehmann[1] from the Army Ordnance Office was also in Kransberg, he told me twice, "Dr. ter Meer, this is a stand-by plant of the Reich which was built in cooperation with the Dynamit A.G." It is a matter of fact that even I did not know the names of these plants because the matter was kept so strictly secret.

Q. Do you have anything else to say in regard to the problem of the DAG, from your own knowledge?

A. I reported previously about the discussion with the DAG when the Montan plan and the IG plan were discussed. The annual auditing reports of the DAG I did not check over.

CROSS-EXAMINATION

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MR. SPRECHER: Now, Dr. ter Meer, there is in evidence, as Prosecution Exhibit 140, Document NI–2638,[2] document book 6, English page 28 and following, the confidential letter of Krauch concerning the development work of Vermittlungsstelle-W. Now, there are some statements in that document with respect to preliminary development work that has to be done in connection with the rearmament.

JUDGE SHAKE: Is that a document in evidence?

MR. SPRECHER: Yes. Prosecution Exhibit 140;

Q. May I ask you this? Were you surprised at that time — that is 1935 — that, as Krauch points out, there was an agreement that DAG — that's Dynamit-Nobel — should work together with Vermittlungsstelle-W and the Farben plants in supplies for raw materials for armament and planning work in that connection?

DEFENDANT TER MEER: Is that mentioned in that document?

Q. Yes, that's in that document. Apart from the fact that it's in the document, it is a circular by Krauch from Sparte I which you saw at this time, is that correct? Did you see that document at the time it was circulated?

A. This one?

Q. Yes, in 1935.

A. I can't answer the question. With respect to DAG I can only tell you the following. During the last months I have been able to go rather thoroughly through the documents submitted by the prosecution concerning Vermittlungsstelle-W and I have no-

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[1] Dr. Emil Ehmann testified for the prosecution as well as for the defense. An extract from Ehmann's testimony as a defense witness is reproduced above in subsection K5.

[2] Reproduced in full above in subsection H 2.

ticed that in most cases DAG was not addressed. I can only conclude from that that Vermittlungsstelle-W at least not regularly had worked for DAG, which can easily be explained by the fact that the DAG plants belonged to armament plants directly under the Army Ordnance Office, whereas the plants of Farben were exclusively so-called essential and vital industries which were taken care of by the Reich Minister of Economics and by the business manager of Economic Group Chemistry.

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REDIRECT EXAMINATION

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DR. GIERLICHS (associate counsel for defendant Schmitz) : Dr. ter Meer, with respect to the TEA minutes submitted this morning, Document NI–14230, Prosecution Exhibit 1891,* you have clarified, when asked by Mr. Sprecher, that not three gentlemen of DAG, but only Dr. Paul Mueller, is referred to as the recipient of these minutes. Under these circumstances does the fact that Dr. Mueller appears as the recipient of these minutes give you any hint that all the requests with respect to the new installations went over to the TEA Office, even as far as DAG was concerned?

DEFENDANT TER MEER: No, I already explained that this morning. The credit requests for stand-by plants did not go to the TEA. No money had to be appropriated. These were Reich-owned plants. Only other appropriations went over the TEA.

Q. Dr. ter Meer, we are not here concerned with credit appropriations. We are concerned with appropriations with respect to these MGX and GS numbers.

A. No, that is an error. We are here concerned with the orderly procedure in the TEA where credits were appropriated to various plants. When discussing this subject Dr. Struss said — and he always made introductory statements and general explanations before going over to the figures — that the credits which were to be presented fell to 80 percent within special numbers. The TEA didn't have to approve any such number. That was a matter for the authorities.

Q. This morning you were asked with respect to Document NI–2638, Prosecution Exhibit 140 about the extent to which Vermittlungsstelle-W would also concern itself with the DAG. This document is a report of the Vermittlungsstelle and it shows that in the decisive field of the development work an inclusion of Vermittlungsstelle-W with respect to DAG is not to come about;

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* Not reproduced herein.

however, that this is envisaged insofar as raw materials procurement is concerned. Would you please once more clarify how, as far as you know, the practical handling of that matter was? Did the DAG in practice make use of Vermittlungsstelle-W?

A. I can give you no exact information on that. I can only repeat what I already said this morning. I said that from the documents which were submitted by the prosecution and which are numerous letters and circulars and reports about discussions, I would conclude that DAG did not make use of the Vermittlungsstelle-W, and if they did, only in exceptional cases. That is all I can say.

Q. Do you know, Dr. ter Meer, whether the DAG had its own similar office in Berlin, similar to Vermittlungsstelle-W?

A. I know that. I know that DAG had an office in Berlin, and an affidavit of a certain Mr. Ringleb* who worked in that office has been submitted here.

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4. CONTEMPORANEOUS DOCUMENTS

PARTIAL TRANSLATION OF DOCUMENT NI–7221 PROSECUTION EXHIBIT 323

EXTRACTS FROM THE "HANDBOOK OF GERMAN JOINT STOCK CORPORATIONS," VOLUME IV, 1938 EDITION, CONCERNING FARBEN'S COMMUNITY-OF-INTERESTS AGREEMENT WITH DAG

* * * * * * *

Contracts and Agreements in Important Production Fields
Community-of-interests Agreements

1. Dynamit A.G. vorm. Alfred Nobel & Co., Troisdorf

The agreement is effective retroactively on 1 January 1926, and originally also included the Rheinisch-Westfaelische Sprengstoff A.G., Cologne, and the A.G. Siegener Dynamitfabrik, Cologne, which in 1931 were merged with the DAG. The agreement expires on 31 December 2024.

The profit and loss made during every business year of the Nobel Company, calculated in a special preliminary balance sheet for which certain minimum depreciations are guaranteed, will be credited or charged to IG; IG, on the other hand, pays the amount necessary to pay a dividend which equals half the dividend paid on IG's ordinary shares, on the Nobel Company's ordinary shares. If after the transfer of the profit or loss of the Nobel Company,

* Ter Meer Document 32, ter Meer Defense Exhibit 24, not reproduced herein.

IG shows a loss in its balance sheet, a part of this will be charged to the Nobel Company at the same ratio as the amount necessary to pay the dividend is to be calculated according to the previously mentioned procedure.

If, in case of a capital increase, IG grants its shareholders an option to subscribe to new shares, the shareholders of the Nobel Company have to be granted the same rights, with the exception that the owners of RM 200 shares of the Nobel Company may acquire half the amount of new IG shares as the owners of the same nominal value of old IG shares.

IG is entitled to state at any time that it wants to take over the assets of the Nobel Company by merger at this same ratio. If the general meeting of the Nobel Company refuses that merger offer, IG is entitled to give notice of termination of the agreement with effect to the end of the current business year. In that case, irrespective of whether IG uses its right to give notice or not, IG may demand that the real estate, buildings, apparatus, and holdings, as existing at the end of the respective financial year, or whatever part of these items IG may wish, at its own discretion, to acquire, be sold to IG at the book value as shown in the last balance sheet.

Beginning 1 January 1927, every single shareholder of the Nobel Company is entitled to request the exchange of his shares for IG shares at the above-mentioned ratio. Every single shareholder has that same right, even if the above-mentioned agreement is cancelled or changed for some reason.

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TRANSLATION OF DOCUMENT NI-14098
PROSECUTION EXHIBIT 2338

LETTER OF THE DEFENDANT GAJEWSKI TO PAUL MUELLER, DIRECTOR GENERAL OF DAG, 11 APRIL 1934

Dr. Ga/Hi

11 April 1934

Generaldirektor Dr. Paul Mueller

Troisdorf

Dear Doctor,

I informed Mr. Dencker today that I approved of the depreciation of RM 302,434 which you desired for Troisdorf.*

At the same time, I would like to request you to send me the

* The headquarters of DAG and its principal plants were located at Troisdorf near Cologne.

purchase turnover & expense figures for the fourth quarter of 1933 as well as for the entire year of 1933, to make possible a comparison with the other purchase agencies of the Sparte III,*

Thanking you for your efforts and with kind regards, I am,

Sincerely yours,
Signed: GAJEWSKI

[Handwritten note] Copy given to Mr. Riess, 9 April

TRANSLATION OF DOCUMENT NI-13532
PROSECUTION EXHIBIT 1936

LETTER FROM PAUL MUELLER, DIRECTOR GENERAL OF DAG, TO DEFENDANT GAJEWSKI, 22 OCTOBER 1935

Dr. Paul Mueller

Troisdorf, Cologne District
Telephone: Cologne 10211
Sieburg 2427
22 October 1935

Strictly Confidential

Director Dr. F. Gajewski

Wolfen, Bitterfeld District
[Stamp]
Secretariat Dr. Gajewski
Rec'd 23 October 1935
Answered. 5 November 1935

Dear Dr. Gajewski,

For your strictly confidential guidance, I am informing you that we have been asked by the Reich War Ministry to submit a plan for the number of chemists, engineers, office employees, workers, et cetera, required for getting the different emergency plants going in the event of mobilization. While it will not present any difficulties, as far as can be seen, to make the necessary engineers available, we shall not be in a position to free the needed number of chemists from our own plants. In the first place, we lack people for the trinitrotoluene (TNT) plants, especially as we have been instructed to assume that the trinitrotoluene plant in Schlebusch, as also the plants here, are to continue working.

Three emergency plants come under consideration for the production of trinitrotoluene. It will not be possible to avoid having in each plant a plant director and 3 plant chemists, since much importance will be attached, as was in the last World War, to

* Defendant Gajewski was the chief of Farben's Sparte III, and DAG was attached to this Sparte.

preventing interruption of work as far as possible by continuous supervision. There was, therefore, an order in the World War that the plants were to be constantly inspected by a chemist during nitration.

We dispose, at the moment, of 5 gentlemen who have become thoroughly acquainted with the trinitrotoluene plant in the required manner. Of these 5 men, however, 4 would be claimed for the plant in Schlebusch. We shall of course attempt to train more men who possess the needed aptitude for the trinitrotoluene plant; still it will not be possible for us, as already mentioned, to take the total requirement from our plants.

On the other hand, we shall have to expect that in the event of mobilization, both toluene and also benzene are not, or only in very limited quantity, made available for purposes of private enterprise, thus also for the production of mono- and binitro-compounds as base materials for the most varied chemical products. I can therefore imagine that some of the chemists who are at present engaged in the production of mono- and binitro-compounds in the IG plants will be available in the event of mobilization. If this supposition should prove to be correct I would like to suggest that we establish which people from the IG plants could be surrendered to the stand-by trinitrotoluene plants. These people must be specially specified so that they can be claimed in the event of mobilization. Furthermore a more thorough acquaintance with the methods as they are carried out in our production of mononitrotoluene, binitrotoluene and trinitrotoluene, as also the refinement of raw trinitrotoluene should be prepared for. This training would practically have to take place at our factory at Schlebusch which is the only one of our plants engaged at present in the production of trinitrotoluene. It would presumably also be necessary to keep the gentlemen in question thoroughly familiar with the plant requirements, by repeated visits to Schlebusch at certain intervals, so that there exists a guarantee that they can for certain carry out the tasks incumbent upon them in the event of mobilization.

The setting in motion of the stand-by plants will not begin suddenly, but we shall have to count on an initial period of approximately 2 months. It will be desirable, however, in order to shorten as much as possible the period for the setting in motion, that the people to be surrendered by IG be distributed as quickly as possible to the different stand-by plants.

For the filling plants, we hope to be able to make the suitable workers available ourselves while we still lack 2 chemists for a plant producing picric acid.

Now my request to you is aimed at establishing whether suitable representatives of the IG can be put at our disposal for the trinitrotoluene stand-by plants and for the one plant for the production of picric acid in the event of mobilization.

I must ask you to treat all the questions in strict confidence and to impose the same strict confidence on the offices with which you take up relations.

With kind regards
Yours faithfully
[Signed] P. MUELLER

[Handwritten] Settled orally by Dr. Gajewski in Frankfurt with Dr. P. Mueller, 29 and 30 October 1935.

TRANSLATION OF DOCUMENT NI-6498
PROSECUTION EXHIBIT 111

LETTER FROM PAUL MUELLER, DIRECTOR GENERAL OF DAG, TO FARBEN'S DIRECTOR KRAENZLEIN, 9 DECEMBER 1935

[Handwritten]
Dr. Paul Mueller — Management Dept. T
No. 4000

13 December 1935

Strictly confidential

Troisdorf, 9 December 1935

To: Director Dr. Kraenzlein*
Frankfurt/Main—Hoechst

Dear Dr. Kraenzlein,

I thank you very much for your kind letter of the 6th. I cannot tell you how glad I am to observe the most gratifying results of the close collaboration in the sphere of high explosives upon which we embarked some time ago. I do not want to miss the opportunity to inform you of a paragraph in a letter from the Commander in Chief of the Army, signed "by order" by Lt. Col. von Horstig which reads:

> "Section No. 1 of the Testing Department of Army Ordnance Office congratulates DAG on having been enabled—by close collaboration with IG and Wa Prw., [Army Ordnance Office, Testing Department]—to produce the modern high explosives trinitrobenzene and hexogen and to develop them further in the interests of the defense of Germany."

I congratulate you also on the new process for the production

* Dr. Georg Kraenzlein was the chief of the Scientific Department of Farben's Hoechst plant under the defendant Lautenschlaeger. Dr. Kraenzlein died in 1943.

of synthetic glycerin. I await with truly *impatient* interest the results of the experiments now under way. I could very well believe that the glycerin mixture in its present form yields a faultless nitration product with exceptional characteristics. Furthermore, I could imagine that the properties of the nitration mixture are especially advantageous for certain purposes; for example, for gunpowder. The question of stability and of how the nitration of the individual substances will proceed in mixture is, of course, important. Here only the results of practical experiments can be decisive.

I am very glad that the hexogen nitration process, so successfully developed by Drs. Wolfram and Schnurr, is to be demonstrated on the 17th, and that you, too, will be in Berlin. I should be particularly glad, of course, if we could meet again there and take the opportunity to discuss the other questions which you mention in your letter.

As to cartridge cases, I personally do not think that the idea of manufacturing them on a base of gunpowder will lead to practical results of any importance. The cartridge cases themselves are subjected to extraordinarily rough treatment during transportation. They must, therefore, have a certain wall thickness which will result in their very incomplete combustion. They will be ejected, still burning, when the breech is opened after the shot has been fired. In many cases it is necessary to fasten the shells firmly to the cartridge case in order to produce a single-unit cartridge. In this the tensile force will be a deciding factor. For my part, I do not, therefore, intend to examine the idea more closely unless clear proposals are made which are capable of dispelling the doubts stated here.

With kind regards
Yours very faithfully
Signed: MUELLER

TRANSLATION OF DOCUMENT NI-13528
PROSECUTION EXHIBIT 1939

LETTER FROM OSKAR WOLFF TO DEFENDANT SCHMITZ, 16 SEPTEMBER 1936, CONCERNING THE CONSTRUCTION OF STAND-BY FACTORIES FOR THE ARMED FORCES*

[Handwritten dates] 24 September 1936
29 September 1936
[Stamp] Secretariat Dr. Gajewski
[Handwritten] 38560 b
Bomlitz, 16 September 1936

Strictly confidential!

To Geheimrat Dr. Schmitz,
I.G. Farbenindustrie Aktiengesellschaft
Berlin, Unter den Linden 78

Dear Herr Geheimrat,

At the beginning of this year the Reich War Ministry approached us and inquired whether we would be willing to erect a Pol-powder factory for our own account on a site which seemed very suitable to them and which was situated near our powder factory Bomlitz (most of the land belongs to us), if prospects of continuous orders for this type of powder were held out (but not assured by contract).

We discussed this with the then Chairman of the Aufsichtsrat, Professor Flechtheim, and agreed with him that we could not accept such a proposal, which would require the expenditure of several million marks, particularly in view of our financial situation which made it seem inadvisable for us to raise any more loans. We therefore rejected the proposal of the Reich War Ministry at that time, giving the reasons for this.

Today the Reich War Ministry has written to us and states that it was intended to build a so-called stand-by factory [Bereitschaftsfabrik] on the site in question, which is recognized as being very suitable, with state funds; this factory is to have a

* The author of this letter, Oskar Wolff, also wrote a letter to the defendant Gajewski on 24 September 1936, enclosing a copy of the letter to defendant Schmitz. Dr. Wolff wrote the defendant Gajewski as follows: "With reference to the enclosed carbon copy of my letter of 16 September 1936 to Geheimrat Dr. Schmitz, Berlin, to which I have not yet received any answer, nor did I definitely expect one, I am taking the liberty of asking you whether you could tell us a member of IG who would be willing and suitable to advise us with regard to the contracts in question which are to be concluded with the Montan-Gesellschaft." Considerable material on contracts involving Montan and stand-by plants built at the request of military authorities are reproduced above in subsection K, "Special or Stand-by Plants Sponsored by the Government or the German Armed Forces and Constructed and Operated by Farben."

monthly production capacity of 1100 tons Pol-powder, and it is estimated that 25–28 million marks will be expended on this.

The execution of the construction will be put in our charge against an appropriate recompense, also the administration and supervision of the finished factory and lastly, also the operation of the plant as soon as that is started.

The rather complicated contracts for this have been submitted to us and we have been informed that these were drawn up on the lines of a number of contracts with other firms of the war industry. I think I am right in believing that the Dynamit A.G. in Troisdorf has also concluded identical or similar agreements.

In any case, these agreements do not impose any financial obligations on us, but are rather a source of not inconsiderable income.

The demands made on us personally as trustees of the state are considerable in this respect, but of course we cannot refuse the honorable request of the Reich War Ministry.

We are at present studying the agreements submitted to us which still have to be altered somewhat on some points and adapted to local conditions. The offices concerned of the Reich War Ministry have promised us to be as accommodating as possible with regard to such applications from us.

As soon as the agreements have been drawn up accordingly, we will take the liberty of submitting them to you.

Unfortunately, we cannot approach Professor Flechtheim because of the fact that we are obliged to maintain secrecy and he is no longer a member of the Aufsichtsrat. At the request of the Reich War Ministry, we will, in the meantime, already start negotiating with various landowners about the acquisition of their estates which are to be ceded to the state. The construction of the plant is to be started as soon as possible. We are actually able to do this since we are operating a construction bureau, through which we have for the past year been carrying out the construction of a stand-by factory for nitrocellulose powder, situated near our existing factory of the same type, for account of the Reich War Ministry.

I am sending Dr. Paul Mueller a copy of this letter.

With kind regards

Yours very truly

Signed: OSKAR WOLFF

TRANSLATION OF DOCUMENT NI-13571
PROSECUTION EXHIBIT 1940

EXCHANGE OF LETTERS BETWEEN DR. PAUL MUELLER, DIRECTOR GENERAL OF DAG AND DEFENDANT WURSTER,* 12, 13 MARCH 1937, WITH COPIES TO DEFENDANT GAJEWSKI

1. Letter from Paul Mueller to Defendant Wurster, 12 March 1937

No. 868

DYNAMIT-AKTIENGESELLSCHAFT
vormals Alfred Nobel & Co.
Dr. Paul Mueller

To: Dr. Carl Wurster,
I.G. Farbenindustrie, Aktiengesellschaft,
Ludwigshafen/Rhine

[Copy] To: Director Dr. Gajewski
Wolfen, District of Bitterfeld
for information.

Troisdorf, 12 March 1937

[Stamp] Secretariat Dr. Gajewski
Rec'd: 15 March '37
Answ:

12 March 1937

[Stamp] Secretariat Dr. Gajewski
Rec'd: 15 March 1937
Answ: by Dr. Wurster
13/III

Subject: Sulfuric acid supply of IG Farben

Dear Dr. Wurster,

I herewith gratefully acknowledge receipt of your kind letter of 11 March. I must put considerable stress on correcting a mistaken opinion of yours. You write that because of a complaint of my plants to the appropriate Reich agencies, compulsory rationing of sulfuric acid was imposed on IG. Never would we have acted so disloyally, or rather incorrectly, towards IG, and I herewith must refute this accusation politely but emphatically. The actual facts are as follows:

The Army Ordnance Office gave us the strict order to inform it

* The Defendant Wurster testified in considerable detail concerning sulfuric acid and allied products (tr. p. 10939 ff) sometimes using charts to explain his testimony. This testimony is not reproduced herein.

continuously if the required production quota could not be reached or seemed endangered. Several times we informed the appropriate IG offices of this fact, so that they were fully informed in regard to our duties towards the Army Ordnance Office. In those cases in which we could not fully complete the assigned orders, we were, therefore in duty bound to report to the Army Ordnance Office the amounts which would apparently be lacking and what was the reason for the deficiency.

This and nothing else has happened. I emphasize that from our side no steps were undertaken with the Control Office Chemistry. If, therefore, on the basis of reports to the Army Ordnance Office, situations arose which are unpleasant for IG, we must refuse to accept any repsonsibility.

Unfortunately, I myself am absolutely unable to take part in the Frankfurt meeting on 18 March. I requested, however, Director Dr. Propach and Director Veith to represent me, and I emphasize that I have given both gentlemen complete authority to act in my behalf.

And, dear Dr. Wurster, I also must refer to a sentence in your circular to the authorities concerned. In this circular you expressed the idea that the large consumption of the DAG plants had not at all been reported to you. Actually the situation is that our Purchase Department regularly informs the places named to us as being the offices concerned—namely the IG Sales Combine Berlin and Leverkusen—about the requirements for the month in question. Dr. Propach and Mr. Veith will, of course, have an opportunity to supplement and to prove these statements orally.

You will understand, dear Dr. Wurster, that, in view of the grave accusations made against us, I am sending copies of this letter to all places that were referred to in your circular.

With the German salute

Very truly yours

Signed: DR. P. MUELLER

2. Letter from the Defendant Wurster to Paul Mueller, 13 March 1937

13 March 1937. W/S

To: Director Dr. Paul Mueller

Dynamit-Aktiengesellschaft vormals Alfred Nobel & Co.

Troisdorf (District of Cologne)

[Copy] To: Director Dr. Gajewski

Frankfurt/Main

[Stamp] Secretariat Dr. Gajewski

Rec'd: 15 March 1937

Ans:

My dear Doctor,

Thank you very much for your letter of 12 March 1937. I regret that you yourself are not able to take part in the meeting but I appreciate your being able to send Director Dr. Propach and Director Veith.

The statement in the circular of 11 March that your plants have complained to the Control Office about not receiving deliveries was based on the letter of your Purchase Department, Troisdorf, dated 1 February 1937. This letter states literally at the end: "Within the frame of this obligation (to the Army Ordnance Office) we reserve the right to address ourselves within the next few days to the Control Office Chemistry directly."

On the basis of this letter and on the basis of Dr. Ungewitter's oral confirmation that this step had been undertaken, I had to reach the conclusion which I put down in my circular of 11 March.

In regard to my remark that your large consumption was not announced to us, I wish to say in the way of an explanation that it is correct that your Purchase Department has always announced to us the needs of your plants one month in advance. Because of the unexpectedly great increase of your requirements, this naturally did not help because we expected you to announce your requirements to us at least 1 year ahead so that we could undertake the necessary measures in our SO_3 plants. In view of the present difficulties in procuring material, greatly increased requirements which are announced only a short time ahead cannot be fulfilled even with the best of intentions without hurting other consumers.

I do not know whether, on the basis of the enlargement of your plants in the other direction, you yourself were in a position to announce to us much earlier your SO_3 requirements, or whether that was not possible because of the negotiations with the Army Ordnance Office. We will have an opportunity to discuss this matter with your gentlemen next Tuesday. If you could not announce the requirements this means that there exists, here too, a lack of synchronization in starting the operations of the plants for finished products and the plants for the required preliminary products. I hope, dear doctor, that with the above lines I have given you an explanation for the contents of my circular of 11 March.

With the German salute!

Very truly yours

Signed: WURSTER

PARTIAL TRANSLATION OF DOCUMENT NI-15164
PROSECUTION EXHIBIT 2157

EXTRACT FROM THE MINUTES OF THE FORTY-THIRD MEETING OF FARBEN'S CHEMICALS COMMITTEE (CHEMA) IN BERLIN, ON 17 APRIL 1937

* * * * * * *

Present: Weber-Andreae
Dr. Kuehne
Dr. Pistor
Andreae, as secretary

* * * * * * *

[Initial]: [St [Struss]

* * * * * * *

Weber-Andreae reports on the conferences concerning plastics which are to take place next day between Troisdorf, Bitterfeld and Frankfurt. Dr. Pistor asks for caution in sales on account of the existing shortage of material. The Chemical Committee cannot accede to the wish of *Troisdorf** to set up a plant for *formaldehyde,* as the reasons for setting up the Leverkusen factory are incomparably more serious.

* * * * * * *

Secretary:
[Signed] WEBER-ANDREAE

* Troisdorf here refers to the firm DAG.

TRANSLATION OF DOCUMENT NI-13516
PROSECUTION EXHIBIT 1945

LETTER FROM LEGAL DEPARTMENT OF FARBEN'S BERLIN NW 7 OFFICE TO THE VORSTAND OF DAG CONCERNING "DIRECTIVES FOR THE COMPILATION OF ANNUAL REPORTS," 2 MAY 1938

IG Farbenindustrie Aktiengesellschaft
Legal Department
Berlin NW 7

To the Vorstand of Dynamit-Aktiengesellschaft
vorm. Alfred Nobel & Co.
Troisdorf (District of Cologne) S/RO 224 536

Confidential!

2 May 1938

Directives for the Compilation of Annual Reports

The Reich Economic Chamber has asked us to notify the companies connected with us of the directives for the compilation of annual reports, as below, about which a decree will probably also be issued later.

1. The annual report is not to contain any statements about stores and stocks of synthetic raw materials of the Four Year Plan, except when there is a general obligation to make a report. Even in such cases they are to be divided more according to the rough amounts than according to value.

2. The annual report is not to contain any statements about capacities (for exploitation and processing) of synthetic raw materials of the Four Year Plan.

3. The annual report is not to contain any information about the additional export program or details about the execution of export deals.

Consideration of military economy which concern the armament industry of course continue to be unaffected by this, so they must be adhered to as well.

Please be kind enough to pass this information also to the companies of your concern.

Heil Hitler!
IG Farbenindustrie Aktiengesellschaft
Signed: by proxy HELFERT
Signed: as deputy SILCHER*

* Dr. Friedrich Silcher was associate counsel to Defendant von Knieriem in the Farben trial.

TRANSLATION OF DOCUMENT NI-13513
PROSECUTION EXHIBIT 1938

FILE MEMORANDUM OF FARBEN'S NW 7 OFFICE, 4 AUGUST 1938, CONCERNING BUILDING PLANS OF DAG

FILE MEMO

Our Ref.: Dept. Ke/P

Re: Dynamit-Aktien-Gesellschaft, vorm. Alfred Nobel & Co. Troisdorf

[Stamp] F. F. 5 Aug. 1938

Berlin NW 7, Unter den Linden 82
4 August 1938

Herr Dr. Ritter, Reich Office for Economic Development, called on Dr. Krauch's orders and informed us that a temporary credit was becoming necessary as part of new building plans of the DAG, Troisdorf, about which Dr. Krauch has also already spoken to Geheimrat Schmitz, and that the following amounts would actually be required:

August 1938	3.5 Million RM
September 1938	5.2 Million RM
October 1938	7.7 Million RM
Total	16.4 Million RM

The DAG requests that these amounts be made available to the company in the form of advances from the Deutsche Laenderbank A.G.[1] until it has been clarified in what way the financing from Reich funds, which has been approved in principle, is to be carried out. It is possible that this matter will be cleared up shortly so that it would not be necessary to use the September and October amounts at all.

I have promised to discuss this matter immediately with the Laenderbank and to inform Dr. Ritter. Troisdorf will, for the time being, be informed by the Laenderbank.

[Signed] KERSTEN[2]

Distribution:
Dr. Frank-Fahle
v. Moister
Dr. Ritter/Reich Office for Economic Development, Berlin W 9, Saarlandstr. 128.

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[1] Deutsche Laenderbank A.G. was the so-called "house bank" of I. G. Farben in Berlin.

[2] Dr. Ulrich Kersten was head of the Finance Section within Farben's Central Finance Administration in Berlin, and chief of Farben's Legal Branch in Berlin. He died in 1943.

TRANSLATION OF DOCUMENT NI-15163
PROSECUTION EXHIBIT 2159

LETTER FROM DAG TO DEFENDANT SCHMITZ, 24 SEPTEMBER 1938, FORWARDING THE QUARTERLY REPORT OF DAG WITH OTHER MATERIALS

24 Sept 1938

REGISTERED!

To: Geheimrat Dr. H. SCHMITZ
Berlin

Re: Quarterly Report

Dear Herr Geheimrat!

We are taking the liberty of sending you attached the report for the 2d quarter of 1938, and a list of sales figures for the first half of 1938. The report on the 1st quarter of 1938 was given in the Aufsichtsrat meeting of 3 June 1938.

In the 2d quarter of 1938, the turnover for explosives at home has decreased by approximately 3.6 million, while abroad it has increased by approximately 4.6 million. Both cases are deviations due to extraordinary temporary circumstances.

Our deliveries to the military, about which we are generally not permitted to talk, are also contained in the turnover figures. Without these figures, the report would present an entirely false picture. So as to comply with our obligations to maintain secrecy on the one hand, and yet on the other hand to give a true report, we have only since the end of 1935 been giving the quarterly report to the chairman of our Aufsichtsrat personally, and have requested that he should refrain from circulating it among the Aufsichtsrat.

In view of prevailing circumstances, may we presume that you agree that, for the time being, we should continue this practice, and that the quarterly report shall only be sent to you personally, as is being done in this instance.

With the German Salute
Vorstand of Dynamit-Aktien-Gesellschaft
vormals Alfred Nobel & Cie
Signed: DR. P. MUELLER
Signed: DR. SCHMIDT*

* Dr. Rudolf Schmidt was one of the members of the Vorstand (Managing Board) of DAG. He was a defense witness at the trial. His testimony is recorded in the mimeographed transcript, 30 April, 5 and 6 May 1948, pp. 13093–13133; 13620–13629; and 13651–13719.

PARTIAL TRANSLATION OF DOCUMENT NI–13533
PROSECUTION EXHIBIT 1937

EIGHT LETTERS OR MEMORANDUMS, OCTOBER 1938 TO FEBRUARY 1940, CONCERNING RELATIONS BETWEEN FARBEN AND DAG AND THE ROTTWEIL PLANT*

1. Letter from Farben's Wolfen Plant to Dr. Gajewski, Dated 17 October 1938, Concerning E-Salt Plant at Bobingen

I.G. Wolfen
Technical Departments of Sparte III

To Director Dr. Gajewski Date: 17 October 1938

Our ref: Technical Committee/RSS–W122

Re: *E-hexogen.*

Herr Dr. Struss asked me to inform you at Dr. ter Meer's request that the latter would like you to give a brief report at the Vorstand meeting on Thursday about the E-salt plant in Bobingen, and the state of the process. In consideration of the present form of the Vorstand meetings, he asks you not to call upon Dr. Eble or Dr. Kaempf for assistance.

I have asked Dr. Eble to send you a short survey about the state of the process by today. In addition, Dr. Eble is at your disposal, if you wish it, to give a report either in Wolfen or in Berlin on Wednesday. I have taken the liberty of myself reporting briefly on the plant itself.

[Illegible signature]

Enclosure [Handwritten note]

Dr. Eble is to be in Wolfen on Wednesday and inform Riess, 18 Oct 1938 0845

2. Letter from Paul Mueller, Director General of DAG, to Defendant Gajewski, 20 October 1938

At present Berlin W 35, Tirpitzufer 60–62
20 October 1938

Registered!

Dear Dr. Gajewski,

We were both right. The DAG has refused to take any responsibility whatever for the construction of the hexogen plant in Bobingen. In spite of this the Army Ordnance Office has decided to build the plant at its own expense. The order for carrying out

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* Another letter included in this exhibit was a letter from Defendant Ambros to Defendant Krauch, 21 February 1939, which has been reproduced in part in subsection G 5.

the construction has been placed with DAG. Therefore we are really nothing but contractors without any risk whatever, either for DAG or for IG. We have also refused to be held liable in any way for the manufacturing process.

I wanted to let you know this quickly so that you can inform Dr. ter Meer accordingly.

With friendly greetings

Yours

[Signed] P. MUELLER

3. Note to Defendant Gajewski Concerning Arrangements for Construction and Operation of the E-salt Plants at Bobingen, 23 November 1938

I.G. Wolfen
Technical Departments of Main Group [Sparte] III

[Stamp:]
SECRET

To Director Dr. Gajewski
Our ref: Technical Committee/RSS–W122

Date: 23 Nov 1938 Bet

Re: E-Salt Plants Bobingen

[Initial: G (for Gajewski)]

In a letter to Herrn Schindler[1] I have again set down the arrangements so far regarding the construction and operation of the E-salt plants in Bobingen, as you wished. I believe I am right in presuming that everything that has happened so far is absolutely in line with your wishes.

Enclosure:
Copy of letter to Herrn Schindler
of 23 Nov 1938

[Signed] RIESS[2]

[Stamp]
Secretariat Dr. Gajewski
In: 24 Nov 1938

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[1] Dr. Heinrich Schindler, a defense witness in the trial, was the chief engineer of DAG. His testimony is recorded in the mimeographed transcript 23 and 28 April 1948, pp. 12337–12370; and 12707–12776.

[2] Dr. Dipl. Ing. Kurt Riess was chief engineer of Sparte III.

4. Excerpt from Letter from Farben's Sparte III to Dr. Schindler of DAG Stating the Arrangements for Handling the E-salt Plants in Bobingen, 23 November 1938

I.G. Farbenindustrie Aktiengesellschaft, Wolfen Film Factory
Technical Departments of Main Group III

REGISTERED

Herrn Director Schindler
Dynamit-Aktien-Gesellschaft
Troisdorf

[Stamp] Secretariat Dr. Gajewski

Technical Committee/RSS–W122 In: 24 Nov 1938
23 Nov 1938

Re: E-salt plants Bobingen

Dear Herr Schindler,

On the basis of the conference between Director Dr. Gajewski and Generaldirektor Dr. Paul Mueller, I would like to set down again in rough outline how the two E-salt plants in Bobingen are to be handled, and would like to ask you to inform me if you should not agree with my points of view.

1. *New plants.* We are building both plants (the 100 tons per month experimental plant as well as the 400 tons per month large-scale plant), from Bobingen as contractors for you and/or for the Army Ordnance Office. All orders will be carried under the name of the DAG. With regard to the large-scale plant, it is not yet clear whether the Gesellschaft zur Verwertung chemischer Erzeugnisse (GmbH) [Company for the Utilization of Chemical Products] may not possibly even also appear as one of the firms directing the undertaking [Bauherrin]. There are sufficient file memos about the various ways of accounting, etc. In any case it is clear that the work done by us, as representing IG, will be paid through you by the Army Ordnance Office, and that there will only be a very small advance payment, if any at all.

* * * * * * *

Yours,
Signed: RIESS

5. Letter from Paul Mueller to the Defendant Gajewski Concerning Personnel for New Factories, 25 January 1940

Dr. Paul Mueller

Troisdorf, Cologne District, 25 Jan 1940
[Initial] G [for Gajewski]
[Stamp] Secretariat Dr. Gajewski
In: 27 Jan 1940
Reply: 3 Feb 1940

To Director Dr. Gajewski
I.G. Farbenindustrie Aktiengesellschaft Film Factory
Wolfen, Bitterfeld District

Dear Herr Doctor,

At the moment we are just about to settle the personnel question for the new factories which are to start operating this and next year. On principle, we have divided this in such a way that each branch of manufacture, as for instance nitrocellulose, is assigned to one man who is to be responsible for the arrangements for all the factories or plants in question. I would be very grateful to you if you agree that Herr Dr. Fink of Rottweil should take over the work concerned for the two solvent powder factories which are being built by us. Please let me know as soon as possible if you agree to this.

With best regards
Yours
for Dr. Mueller, who is still sick in bed

[Handwritten] Ebenhausen Kaufbueren. See letter from Dr. Osterburg to Dr. Gajewski dated 29 January—6907 W.

[Signed] HAACHE

6. Letter from I.G. Rottweil to the Defendant Gajewski Concerning Guncotton, 29 January 1940

L.G. Rottweil

To Director Dr. Gajewski
I. G. Film Factory
Wolfen, Bitterfeld District

Secret

Registered

[Initial] G [for Gajewski]

Our ref: A. I. No. 148

Date: 29 January 1940
1650
[Stamp]
Secretariat Dr. Gajewski
in: 31 Jan 1940

Dear Doctor Gajewski,

On the basis of your call I have been thinking about the matter of the establishment of a new distribution agency for guncotton for those factories which produce powder containing solvents. I am of the opinion that there are quite a number of reasons against considering a man from Rottweil* for this. As far as I know, it is at present necessary to have regular conferences with the [Army Ordnance] Office in Berlin for this purpose, of some of which only short notice is given, and which are repeated every two weeks. In this respect Rottweil is situated as unfavorably as possible. Then it will probably continue to be indispensable, for the distribution agency itself, at least, to produce guncotton and to be continuously informed about the capacities of the other factories. According to the information at my disposal, the capacity of the works producing guncotton is as follows:

Reinsdorf	1050 t	[Tons]
Guesen	800 t	
Eilenburg	750 t	
Troisdorf	675 t	
Eibia	625 t	
Wolff & Co.	415 t	
Ueckermuende	400 t	
Kruemmel	325 t	

The following could be considered for the production of powder containing solvents, if I have been informed correctly:

Reinsdorf with approximately 700 t
Moschwig with approximately 700 t
Rottweil with approximately 350 t
Walsrode with approximately 220 t

[Handwritten] See letter from Dr. Gajewski to Dr. Mueller of 27 February.

Eibia with approximately ? t
Hasloch with approximately 45 t

Since Troisdorf is also the agency for the IG plants to which all delivery schedules and all accounts are sent, Troisdorf is, in my opinion, the one and only agency which can undertake the distribution of the guncotton in collaboration with the [Army Ordnance] Office. If Director Dr. Propach wishes to appoint some other agency to deal with this order to relieve him one could surely consider charging the plant manager there (Dr. Walter) with this.

* DAG, in a petition in the turnover tax case, stated: "The Koeln-Rottweil A.G., linked with us in the General Cartel agreement, was fused by merger with the IG in the fall of 1926."

I would ask you to refrain from assigning Rottweil to the distribution for the reasons given above.

With kind regards I remain

Yours very truly

[Signed] OSTERBURG

[Handwritten note] Passed to Miss Daehne, secretariat Dr. Ilgner, by telephone on 31 January (about 1730 hrs.) to pass on to Dr. Gajewski.

[Illegible initial]

7. Letter from Farben's Rottweil Works Signed by Osterburg to the Defendant Gajewski, 12 February 1940, with File Memo Enclosed

Personal [Initial] G [for Gajewski]

SECRET

Our ref: (please quote in reply) Rottweil on the Neckar
Dr. O/K (Wuerttemberg)

To Director Dr. Gajewski

I.G. Farbenindustrie Aktiengesellschaft Film Factory
Wolfen, Bitterfeld District

12 February 1940

[Stamp]

Secretariat Dr. Gajewski

14 February 1940

Dear Doctor Gajewski,

Enclosed I am sending you my file memo on the conference in Troisdorf on 5th inst. In the afternoon I also had an opportunity of talking to Dr. Paul Mueller about these questions in detail, and he urgently requested me to obtain your agreement that Rottweil should be permitted to help. There is great reluctance to use Walsrode for this purpose.

The new men to be employed by Rottweil would immediately be engaged with a contract from DAG. I do not consider the burden on Rottweil to be so great, particularly since the Munich Construction Bureau is responsible for the procurement of labor. On the other hand, I think that it is of advantage to Rottweil to maintain connections with the new works until they are able to stand on their own feet.

May I ask you to inform me if, under these circumstances, you are able to approve my taking part. Since the procurement of personnel is very urgent, I have told Troisdorf to expect your decision on this matter this week.

I heard that you were away last week; that is why this letter is only being sent off today.

With the German Salute

Yours very truly

[Signed] OSTERBURG

8. File Memo Enclosure to Osterburg's Letter of 12 February 1940

Rottweil, 7 February 1940

FILE MEMO

On My Visit to Troisdorf on 5 February 1940

Secret

The following took part in the conference:

Director Dr. Propach
Director Schindler
Oberingenieur Bender
Dr. Osterburg

First Dr. Propach explained the reasons why he found himself forced to undertake a certain amount of decentralization in the administration of the many works which had been newly constructed for the [Army Ordnance] Office. It is absolutely impossible for Troisdorf to look after all these plants centrally, and therefore it is intended to hand the supervision of these plants over to an existing old factory in each case for the early starting period. In this way Kruemmel, for instance, is to look after military explosives, and Troisdorf for certain special military explosives, and Schlebusch for civil explosives.

Since, up to the present, Troisdorf has worked closely together with Rottweil on all questions connected with nitro-cellulose, Dr. Paul Mueller has expressed the wish that Rottweil should be made available to train the new personnel. The two factories in question are located with a 100 km. radius of Munich. They are:

Plant 21, Feld near Ingolstadt
Plant 25, Ludwig near Kaufbeuren

The capacities of these plants are:

Plant 21, Nitro-cellulose factory at 800 tons per month
Nitro-cellulose powder factory at 470 tons per month

Plant 25 Nitro-cellulose powder factory at 420 tons per month

* * * * * * *

I do, however, believe that this connection with the new plants could be of great value to the Rottweil powder plant in the future, particularly also for the replacements. This type of temporary supervision is not too great a burden and we only recommend it.

[Signed] OSTERBURG

TRANSLATION OF DOCUMENT NI-6345
PROSECUTION EXHIBIT 327

LETTER FROM DR. MUELLER, DIRECTOR GENERAL OF DAG, TO DR. LUDWIGS, MEMBER OF FARBEN'S SALES COMBINE CHEMICALS, 30 APRIL 1940

30 April 1940

Herrn Direktor Walther Ludwigs, No. 178

I.G. Farbenindustrie Aktiengesellschaft, Sales Combine Chemicals

Frankfurt/Main 20

Your Ref.: Dept. L Ga/Scha

Dear Mr. Ludwigs,

Troisdorf had asked for information on the quantities of acetylcellulose delivered to Speyer by IG for manufacture of Ecarite.* Frankfurt stated in their reply dated 17 April that they were opposed on principle to giving the desired information regarding total turnover of Ecarite.

Since the DAG is to all intents and purposes a branch of the IG, I cannot see any reason why there should be objections to supplying the desired figures. It is unfortunate enough that Speyer of all people, a firm which has never in the past worked with acetylcellulose, should have no difficulty at all in procuring it at a time when IG is unable to supply the quantities of acetylcellulose we require. Speyer is in fact getting its supplies at our expense. You will remember what efforts I made some time ago to incorporate Speyer in a sales combine [Verkaufsgesellschaft] along with all other celluloid manufacturers. You will also remember Speyer's somewhat peculiar behavior on that occasion. Why then should IG give preference to such firms over members of its own organization? You also know that I was never inwardly satisfied with what was done in the question about camphor. Wherever Speyer entered the picture it also managed to obtain an advantage for itself. We had to pay RM 1.80 for home-produced camphor while Speyer paid only

* A cellulose acetate.

RM 1.75. The refund made to us on the camphor processed for export cannot be taken into account because we suffered considerable losses in the export business, and since Speyer, so to speak, kept aloof from all exports, we even had to burden our domestic business with the export losses. In any case, we paid for the inland RM 1.80 and Speyer RM 1.75.

I should be obliged, Mr. Ludwigs, if you could let me have your views on the foregoing. If you should not feel happy about communicating the figures officially to my firm, they might perhaps be communicated to me personally in my capacity as a member of the Aufsichtsrat of IG.

With best regards
I am, yours sincerely
Signed: DR. P. MUELLER

TRANSLATION OF DOCUMENT NI-15260
PROSECUTION EXHIBIT 2341

LETTER FROM DAG TO DEFENDANT SCHMITZ, 4 SEPTEMBER 1944, CONTAINING AN ACCOUNT OF DAG'S "FINANCIAL SITUATION AS OF 1 SEPTEMBER 1944"

Registered
Geheimrat Dr. H. Schmitz
(17a) Heidelberg

Main bookkeeping office
September 4, 1944

Financial situation as of September 1st, 1944

As requested, we submit the figures as of 1 September, 1944 as follows:

1. Credit with banks

Deutsche Laenderbank A.G., Berlin	RM 3,731,399
Reichsbank, Cologne	4,066,246
Kreissparkasse Troisdorf	421,528
Westfalenbank A.G., Bochum	42,459
Postal account, Cologne	146,945
	RM 8,408,577

2. Fixed deposit

Reserved at the Laenderbank for depreciation to be paid by the G.m.b.H. zur Verwertung chemischer Erzeugnisse and due on September 30th, 1944	57,000,000

3. Debits with banks

None

4. IG Clearing account

Our credit against which the deliveries since July 1st are still to be balanced	47,711,000

5. Account of the G.m.b.H. zur Verwertung chemischer Erzeugnisse-the G.m.b.H. has a credit of ---------- 68,838,000

6. Outstanding debts in business with the Armed Forces

At the DAG	56,548,000
At the G.m.b.H.	124,619,000

With the German Salute
Dynamit-Aktien-Gesellschaft
vormals Alfred Nobel & Co.

5. TESTIMONY OF DEFENDANT GAJEWSKI

EXTRACTS FROM THE TESTIMONY OF DEFENDANT GAJEWSKI[1]

DIRECT EXAMINATION

* * * * * * *

DR. WEYER (associate counsel for defendant Gajewski): In connection with the powder part of the work in Rottweil,[2] which we have already described, I now come to the relationship between I.G. Farben and Dynamit-Nobel (DAG). You said that the powder production in Rottweil was not directed by Farben or your Sparte but by the DAG. What was the relationship of these two firms to each other?

DEFENDANT GAJEWSKI: Farben owned a considerable share of the capital of the DAG. I cannot give you the exact percentage at the moment. Furthermore, there was a contract for the community of interest between the two companies.

Q. Can you briefly give us the important parts of the contents of this contract, very briefly?

A. According to this contract for the community of interests,[3] the DAG was to give the net profit to Farben. On the other hand, Farben guaranteed a dividend to the DAG which was to be in a definite relationship to the dividend which was given by

[1] Further extracts are reproduced above in subsections V C3, VII C5*d*, and L 3*e*.

[2] A subsidiary firm of Farben.

[3] The community-of-interests agreement is not reproduced herein. However, for a contemporaneous description of the agreement, see the extracts from the "Handbook of German Joint Corporations," Document NI-7221, Prosecution Exhibit 323, reproduced in subsection M 4.

Farben. In this respect this was also a contract guaranteeing dividends.

Q. Were the relations between Farben and the DAG restricted to the financial sector?

A. The financial sector was in my opinion the most essential point. Furthermore, according to paragraph 1 of the contract, which has already been introduced by the prosecution as Exhibit 17 in book 2, the DAG remained in control—rather remained independent in the control of its own business affairs.

Q. Did Farben have an influence on DAG in a technical respect?

A. No, in no way. The mutual relationship in the technical field can be described best as an exchange of know-how. Such an exchange took place almost exclusively, one could say, only in the field of plastics. In my Sparte in the plant at Dormagen, acetylcellulose was being produced which the DAG fabricated into a nonsplintering glass for automobiles. Here an exchange of know-how took place in the field of acetylcellulose. Furthermore such an exchange of know-how took place with Ludwigshafen in the field of plastics which were being processed and made into goods, such as radio apparatus, radio materials, etc. In connection with this, a certain friendly exchange of know-how took place in the field of engineering.

Q. You named several fields, such as plastics, as being the production field, of DAG. Didn't it have another important field of production?

A. Yes, oh yes. DAG also produced explosives and powder, as is well known.

Q. Does the fact that IG had no technical influence on DAG—is that valid for this field too?

A. Even more so for this field, because here an influence was not possible because the specialists in explosives and powder were with DAG, whereas Farben did not have any such specialists at all. Thus, the general director of DAG, Dr. Paul Mueller, was the most respected expert in Germany for powder and explosives. As such, he was also known abroad.

Q. In this respect, may I show you Document NI–9487, Prosecution Exhibit 391,* in book 15, English page 94 or 119, German page 104 and 137, respectively? This is an affidavit of Dr. Struss in which DAG is mentioned as a company attached to Sparte III. Can you briefly comment on this?

A. This attachment was a purely formal one. It took place merely for the reason that the DAG was in charge of cellulose derivatives and cellulose itself, or rather, had points of contact

* Not reproduced herein.

with our Sparte in these fields, because I have already mentioned that we worked together with them in the field of acetylcellulose. Furthermore, DAG was itself a company which processed cellulose on a large scale.

Q. The formal attachment of which you just spoke actually did not express itself in exerting any influence in a commercial or technical field on the DAG?

A. No. On the technical side, or rather about the technical side, I have already spoken. But in respect to the sale of its products, the DAG was completely independent, and in the field of sales it had nothing to do with Farben. It had its own completely independent sales organization for the powder and explosives, and also for the plastics field. It sold these plastics via its sales organization Venditor. Furthermore, the independence of DAG was always very definitely emphasized by Dr. Mueller. For example, after the creation of the Sparten, when I wanted to inspect his installations and machinery in the field of plastics and their fabrication, and their processing, differences developed between the two of us.

Q. Would you just tell the Tribunal who Dr. Paul Mueller was?

A. As I have already said, Dr. Paul Mueller was the Director General of DAG. That is of the Dynamit Co. Nobel. He presided over the Vorstand of this company.

Q. Of what type were the differences that you had with him?

A. Dr. Paul Mueller was of the opinion that my intentions to inspect his production could not be reconciled with the agreements which the contract with Farben, namely with Bosch and Schmitz, asked for; namely effecting the independence of his position. Therefore, he turned to Dr. Bosch and asked for a conference in order to clarify our relationship.

Q. And how was this relationship clarified in this conference?

A. This conference was short and pleasant and it resulted in a simple statement which Dr. Bosch answered on the question of Dr. Mueller of whether I was a superior and whether I was able to give directives. Dr. Bosch said no, that was not the case, whereupon Dr. Mueller said that this ended the question as far as he was concerned. I may add that after this conference, Mr. Bosch told me that the agreements mentioned before contained the promise that Dr. Mueller was to remain independent, completely independent, and Mr. Schmitz confirmed this to me later.

Q. And after this, as I understand from your previous answers, it was practiced that way. Is that true?

A. Yes. Myself, as well as my collaborators, absolutely complied with this decision. Merely the credits—that is the demands for investment, went via Sparte III to TEA, as far as they

affected the civilian sector; but even these went via the TEA only part of the time during the war, and Dr. Mueller, without the approval of the TEA, would also approve them directly in his enterprise. Dr. Mueller was a member of TEA, and there he expressed his own demands for credits at the sessions. In addition, I would like to say that after this conversation with Dr. Bosch which I mentioned, and which took place in 1930, I was in Troisdorf only three or four times and attended the sessions of the Aufsichtsrat of the DAG to which I belonged as a member, or rather I attended them very infrequently.

Q. In the course of this trial, the so-called Company for the Utilization of Chemical Products [Gesellschaft zur Verwertung chemischer Erzeugnisse] has been mentioned. This is an affiliated company of DAG which, on the order of the Reich, produced a number of explosives; or rather, constructed a number of explosive factories, at random. What you said about DAG, is that also true about the subsidiary company?

A. Yes, in respect to this company there was no connection whatever with Sparte III, and therefore none through Farben either.

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CROSS-EXAMINATION

MR. AMCHAN: Dr. Gajewski, as an official of Dynamit-A.G., Wolff & Company, and the other firms which you testified were only formally attached to Sparte III, did you inform the Vorstand of I.G. Farben as to the dealings which these companies had with the Wehrmacht?

DEFENDANT GAJEWSKI: I didn't properly understand the question. First of all, I was not an official—

Q. I will repeat it for you, if you didn't understand. As an official of Dynamit-A.G., Wolff & Company, and the other firms which you testified were only formally attached to Sparte III, did you inform the Vorstand of I.G. Farben as to the dealings which these companies had with the Wehrmacht? Do you understand it?

A. Yes, I understood that, but I do not agree when you say that I was an official of the DAG. I was only in the Aufsichtsrat of the DAG, and the rest of the question, whether I informed Farben about the war production or of any collaboration with the Wehrmacht—I cannot remember that. I did understand your question properly.

Q. Dr. Gajewski, isn't it a fact that you declined to sign the declaration of secrecy unless you were permitted to make an exception to the effect that you had to keep the Vorstand of I.G.

Farben informed of the matters you learned from Wolff & Company and DAG; is that a fact?

A. I don't know that any more. I assume that you have some document, and please show it to me, but I don't know this any more.

Q. I show you Document NI–13536, which we offer as Prosecution Exhibit 1935.* And I direct your attention to the bottom of Page 3 of the German; that is the middle of Page 2 of the English, and I ask you whether or not that refreshes your recollection that in the declaration of secrecy which you executed as an official of Wolff & Company, you made a reservation that you had to inform I.G. Farben Vorstand of those matters. One moment, please. I want to direct your attention to the bottom of page 5 of the German, and it is the bottom of page 3 of the English. Is your recollection refreshed?

A. I have been submitted a declaration that I signed for the firm of Wolff & Company; that is correct. The secrecy regulation that I signed. At the bottom there is a handwritten addition by myself; "I must make one exception in that I must inform the Central Committee of Farben of which I am also a member." I can say the following to that—

Q. I asked you whether that refreshes your recollection. Does it?

A. It is an aid to my memory, but I must give you an explanation. I ask that you permit me to do that, for I cannot otherwise agree with your interpretation of it. The addition was made by me as I stated. Our connection with Wolff was purely formal, just as the sending of this particular declaration was formal, and, therefore, I reserved for myself the right that if anything special did occur, I would inform the Central Committee. Nothing ever came up, and as far as I remember I never reported anything at all. It is a formal matter purely and simply. I was at Wolff & Company twice in my life, or three times.

Q. Dr. Gajewski, isn't it a fact that Dr. Mueller of Dynamit-A.G. informed you of the mobilization plans dealing with the TNT or trinitrotoluene plants of Dynamit-A.G., and he asked you to assist in making I.G. Farben specialists available for that purpose? Is that a fact?

A. I don't know for what purpose that was, but it is quite possible that Dr. Mueller asked me to send him some gentlemen, but no specialist, to produce trinitrotoluene. I didn't have any such experts. I don't know what particular case you are referring to. It is possible we helped him out during rearmament with certain engineers, and he turned to me just as he did to

* Not reproduced herein. The next answer of the defendant repeats the most relevant sentences.

other Farben plants. That is possible, but I did not have any specialist in the field of TNT. I understood you to say TNT.

Q. I asked you about TNT plants. I think you understood my question, didn't you?

A. Yes.

Q. Did you understand my question?

A. Yes. Yes.

Q. Now, I show you, Dr. Gajewski, Document NI–13532, which we offer as Prosecution Exhibit 1936.* That is a letter from Paul Mueller addressed to you on 22 October 1935. May I ask you to please look at that document and tell me whether or not it refreshes your recollection that Mueller of Dynamit A.G., informed you of the mobilization plans with respect to TNT plants of Dynamit A.G., and whether he asked you to make available IG specialists. Does that refresh your recollection? It is a "Strictly Confidential" letter, you will note.

A. Please permit me to read this letter in peace, and after that I am going to answer you. (Pause) The letter can be very simply explained, now that I have read it. As I say, I don't remember this letter. It concerns certain stand-by plants. For these stand-by plants Dr. Mueller asked that he be given chemists. He writes, and I read: "I can therefore imagine that some of the chemists who are presently engaged in the production of mono- and binitro compounds in the IG plants will be a—"

Q. I am sorry—

A. Please permit me to read this.

Q. I am sorry. I did not ask you to read the letter into the record.

PRESIDING JUDGE SHAKE: The defendant is not reading the letter, and he is entitled to a fair opportunity to make an explanation to your question, Mr. Amchan, and please let him answer. Dr. Gajewski, will you please make it as direct and simple as you can. Go ahead.

A. Mr. President, I am, of course, trying to be as brief as possible. I know how short the time is, but I must require for my defense to present these things in a connected way, otherwise it is impossible to see what I am trying to say. It says, "For the filling plants we hope to be able to make the suitable workers available ourselves while we still lack two chemists for a plant producing picric acid. Now my request to you is aimed at establishing whether suitable representatives of the IG can be put at our disposal for the trinitrotoluene stand-by plants and for the one plant for the production of picric acid in the event of mo-

* Reproduced in full above in subsection M 4.

bilization." In other words, it very briefly can be explained. Dr. Mueller is about to construct stand-by plants for the Army in the rearmament program. He turns to me, literally, to find out, and he says, "My request to you is aimed at establishing whether suitable representatives of Farben can be put at our disposal for the trinitrotoluene, and so on," and he asks me whether I can inquire with Farben whether such people are available. That is all. The fact that this letter is strictly confidential at a time when secret plants are being constructed is a matter of course. He only asked for my services to look around for people, but I myself in the photo and rayon field did not have any experts. He did not write this letter only to me.

Q. Did I understand you to say that he didn't write the letter to you? Is it not addressed to you?

A. Yes, but I said that he wrote this letter not only to me, but also to other agencies. It did go to me, yes.

Q. Dr. Gajewski, is it not a fact that you, as a representative of Farben, were informed of the negotiations between Dynamit A.G., Wolff & Company, and the Army Ordnance Office for the construction of explosives plants? Is that a fact?

A. That is possible. That is absolutely possible. I was also two or three times at Wolff & Company and I looked at the new powder plant—subterranean powder plant. I knew about that, too. That is quite possible.

Q. I show you Document NI–13533, which we offer as Prosecution Exhibit 1937,[1] and Document NI–13513, which we offer as Prosecution Exhibit 1938;[2] and Document NI–13528, which we offer as Prosecution Exhibit 1939.[3] I ask you, Dr. Gajewski, to please look at these documents. The first two.

[At this point there was a discussion concerning the exhibit numbers assigned to the three documents, permitting the defendant time to read the documents, and furnishing additional copies of the documents to the Tribunal]

MR. AMCHAN: These documents that were just handed to you, Prosecution's Exhibit 1937, Exhibit 1938, and Exhibit 1939, do they refresh your recollection that you, as a representative of Farben, were informed of the negotiations which Dynamit A.G. and Wolff & Company had with the Army Ordnance Office relating to the construction of explosive and munition plants?

DEFENDANT GAJEWSKI: First of all, I don't know what this particular document has to do with me at all. This does not concern me at all.

Q. Which document are you talking about?

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[1] Reproduced in part above in subsection M 4.

[2] Ibid.

[3] Ibid.

A. NI–13513, 13513. [Prosecution Exhibit 1938.] It is a letter apparently by Mr. Kersten, copies to Mr. Frank-Fahle, Weister and Dr. Ritter. I don't understand that letter. This other letter of Dr. Wolff directed to me—

Q. Is that NI–13528? [Prosecution Exhibit 1939.]

A. Yes. This letter of Dr. Wolff directed to me of 24 September 1936 refers to a letter that he wrote to Geheimrat Schmitz and which he attaches. In that letter he says that he had not received any reply, and he asks me whether I can name a gentleman to him who would be ready and suitable to advise Wolff in regard to contracts that might be concluded with the Montan Gesellschaft. I received an inquiry from Mr. Wolff. He knew me. Why shouldn't he ask me? And I probably named Director Buhl as an expert in these things who had business with the Montan Gesellschaft. I don't know what I answered him. That was that. It is a little difficult for me to peruse such a large number of letters, but I can say generally, they are letters—

Q. Are you referring to the document NI–13533 [Prosecution Exhibit 1937] now?

A. The number is illegible now.

Q. Is that the letter of 17 October 1938, the first page?

A. Yes, 17 October 1938.

Q. Go right ahead.

A. It is a letter of Dr. Ambros to Dr. Krauch. That does not interest me. I don't know what is in it. Then there is the thread running through all these letters; the question, the request for making people available for plant leaders, for directing plants. Dr. Mueller probably had the important task to construct a number of stand-by plants, for which tasks he needed personnel.

Q. Dr. Gajewski, do these documents sufficiently refresh your recollection, is there anything further you want to say about them ?

A. Well, I can only reiterate that these are requests of Mr. Mueller's for certain personnel. For instance, Dr. Osterburg inquired with me whether I agreed, and I did have misgivings because he didn't have enough people. He then in turn replied to me that he could nevertheless help and make further people available. That is the way I understand it now.

Q. Would you please look at page—German page 6, that letter of Dr. Ambros's, February 21, 1939, that is page 3 of the English, the one that is addressed to Dr. Krauch that you just mentioned now. Would you please tell me whether up in the right-hand corner, whether that is your initial on top of that letter; that "G," is that your initial, right above?

A. Yes, yes, I overlooked that, that is right. But I don't know

what is in it, in this letter. This letter is dated 1939. I see now already that the fact that I received this letter was because there was a hexogen experimental plant in Rottweil. I was given this letter for reasons of propriety because this plant did not belong to me.

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Q. Dr. Gajewski, do you recall having received a copy of this document?

[Reference was made to Document NI–11746, Prosecution Exhibit 1943, the decision of the Reich Supreme Finance Court in a tax case involving DAG's relation to Farben. After objections were made to the receipt of this exhibit in evidence, the prosecution offered further parts of the record, including petitions by DAG asserting that it was a dependent subsidiary of Farben, and these parts of the record were later admitted in evidence as Document NI–11746, Prosecution Exhibit 1958. Exhibits from one of DAG's petitions in the tax case and from the final decision of the courts are reproduced immediately below.]

A. No, I cannot remember that.

Q. Now, I show you NI–13573, which we offer as Prosecution Exhibit 1944,[1] and I ask you whether your initial is on the top of that document?

A. Yes.

Q. Does this document now refresh your recollection that you received a copy of the decision of the tax court referred to?

A. You show me this letter, indicating that I received it, but I still don't remember receiving it. Dr. Mueller writes that it was sent to me at the suggestion of Geheimrat Schmitz, but that's all. Actually, I had nothing to do with the matter. Probably I did receive it and took notice of it.

Q. Dr. Gajewski, you testified that you only knew of the Four Year Plan as a program of autarchy?

A. Yes.

Q. Did you know that Farben advised Dynamit A.G. and its subsidiary companies to exclude from their annual reports all statements relating to synthetic raw materials and the program, in consideration of military economy reasons? Did you know that?

A. I don't know that. Perhaps you know it better. Perhaps you will show me the document.

Q. May I show you NI–13516, which we offer as Prosecution Exhibit 1944?

PRESIDING JUDGE SHAKE: I am sorry, that would be 1945, would it not, Mr. Prosecutor?

MR. AMCHAN: I'm sorry, that would be 1945.[2]

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[1] Reproduced below in subsection M 6.

[2] Reproduced above in subsection M 4.

And I ask you whether this document refreshes your recollection that Farben advised DAG with respect to excluding information about synthetic raw materials for reasons of military economy in connection with the Four Year Plan?

A. This is a letter from Mr. Helfert and Mr. Silcher to the Vorstand of Dynamit-Nobel. Whether I received such a letter I do not know. It simply passes on directives about legal provisions. I don't know what your question means; apparently I did not receive this letter.

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6. REPRESENTATIONS MADE BY DAG IN TAX LITIGATION CONCERNING THE RELATION BETWEEN FARBEN AND DAG, THE DECISION OF THE REICH SUPREME FINANCE COURT, AND RELATED TESTIMONY OF DEFENDANT VON KNIERIEM

PARTIAL TRANSLATION OF DOCUMENT NI-11746
PROSECUTION EXHIBIT 1958

EXTRACTS FROM THE PETITION OF DAG TO THE SENIOR FINANCE PRESIDENT, 20 NOVEMBER 1940, CONCERNING A DECISION IN A TURNOVER TAX CASE INVOLVING DAG'S RELATION TO FARBEN, AND EXTRACTS FROM THE DECISION OF THE REICH SUPREME FINANCE COURT, 26 NOVEMBER 1943, GRANTING DAG'S PETITION AND QUASHING THE DECISION BELOW*

a. Extracts from DAG's Petition of 20 November 1940

Dynamit-Aktien-Gesellschaft vormals Alfred Nobel A.G.

To the Oberfinanzpraesident,

Office Dealing with Contested Decisions

Cologne, Woerth-Strasse 1

Troisdorf, Cologne District
20 November 1940

Subject: Turnover Tax

In our letter of 15 October 1940 we appealed against the decision [Anfechtungsentscheidung] of 3 September 1940 which we received on the 26th of the same month. In support of our appeal

* Until December 1938, DAG was considered by the tax authorities as a subsidiary company ("Organgesellschaft") of Farben. When a Finance Office of the Reich decided to the contrary in July 1939, DAG began a series of appeals which eventually led to a decision of the Reich Supreme Finance Court in November 1943, which granted DAG's appeal and quashed the decision which had found that DAG was not a subsidiary company. The factual representations made in the DAG appeal of 20 November 1940 are of particular interest. For the most part, they were adopted by the Reich Supreme Finance Court in the decision reproduced in part below. Various other parts of the record of this litigation are contained in the voluminous exhibit which was admitted in evidence after objection and lengthy argument before the Tribunal in the Farben case.

we submit that the decision proceeds, in essential parts, from assumptions which, in the light of the records, are not justified and that it is based upon a misconception of our corporate status [Organschaft]. If the facts of the case are properly appraised, there is no disputing the fact that our corporation was dependent upon the I.G. Farbenindustrie Aktiengesellschaft, Frankfurt/Main, in financial, economic, and organizational respects, not merely in the period from 1 January 1927 till 30 November 1938, as acknowledged by the Reich Fiscal Administration [Reichsfinanzverwaltung] after repeated audits; but that this dependence also fully existed in December 1938 and that it continues today. [Marginal handwritten note: No! It should never have been acknowledged.] Our corporation must, therefore, now as then, be regarded as an "Organgesellschaft" [subsidiary company] of the IG. The following points are to be noted:

I. The facts of the case have not been represented quite correctly in the decision, not as regards the period anetcedent to the conclusion of our contract establishing a community of interests [Interessengemeinschaft] with the IG and the IG's participation in our firm, some of the facts adduced in our former statements which affect the legal view of the issues having been disregarded.

* * * * * * *

II. According to Article 2 of the ordinances of 1934 pursuant to the turnover tax law, a state of "Organschaft" exists if a legal entity has, in effect, been financially, economically, and organizationally, incorporated into another enterprise. According to the decision of the Reich Finance Court 22, page 183, 36, page 39 upon which the definition of "Organschaft" in the turnover tax law is based, a corporation claiming recognition as a member of another enterprise, has to conform to the following stipulations: It is precluded from acting for its own account and risk in the management of its affairs. A relationship of personal subordination is required in the manner that, in principle, it has to follow the instructions of the parent company in all business matters, except for a certain limited freedom of action which may possibly have been conceded. Thus it merely represents a kind of business department of the parent company. These conditions are completely complied with as regards our actual relationship towards IG which has been set forth in some detail in our statements to date, and the decision is wrong in disputing the existence of this state of affairs.

1. Financial dependence

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In examining the question of financial dependence in our case, due regard must be placed on the fact that the IG not merely controls a considerable majority; that is, almost ⅔ of the votes, but that their financial control had already been created by the contract of 17 September 1926 establishing the "Interessengemeinschaft. According to article 15, subsection 2, of the stock corporation law of 30 January 1937 (Reich Law Gazette I, p. 107), if a legally independent corporation is, by virtue of a participation or in any other way, directly or indirectly, subject to the dominant influence of another corporation, the dominant and the dependent corporation jointly are regarded as a concern and, singly, as concern corporations.

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II. 1 *b*. According to article 4 of the "Interessengemeinschaft" contract, IG is entitled at any time to declare its intention of taking over our entire assets by way of fusion. The decision now assumes that the approximately 60.65 percent of the total vote controlled by IG is insufficient to enforce such a demand for fusion. It overlooks the fact that in case our stockholders' meeting rejects the fusion, IG is entitled to demand the transfer of real estate, buildings, apparatus, and participations, or a part thereof, available at the end of the current financial year, at the value recorded in the last balance sheet without the continuance of the "Interessengemeinschaft" contract as such being affected, unless IG terminated it. It is therefore obvious that this provision of the "Interessengemeinschaft" contract considerably reinforces the control of our corporation by the IG already established by its majority vote.

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II. 1 *c* The Financial dependence of our company on Farben is also expressed by the fact—as stated in the memorandum by the Cologne regional Internal Revenue Office concerning the negotiations of 5 February 1940—that we have to obtain the approval of the Technical Committee (TEA) of Farben, to which our Generaldirektor Dr. Paul Mueller belongs because of his specialized knowledge, for all expenditures for new installations in excess of RM 10,000 (formerly RM 1,000), just like other Farben plants. It is an incorrect assumption, and one entirely unsupported by facts, that the waving by IG of their rights to draw off the full profits does not, on the face of it, indicate a financial amalgamation and that, without closer knowledge of its motives, it cannot be judged unequivocally. The very circumstances that the IG had already for a number of years waived this claim and that the profits due to it according to the preliminary balance

sheets were credited to it at the close of the financial year, in accordance with paragraph 2 of the "Interessengemeinschaft" contract proves, as explained in our document submitted on 14 September 1939, that the IG regards itself absolutely as controller of our company, so that, in principle, it made no difference to it whether the profits according to the preliminary balance sheets were transferred to it or left to us, because whatever formally accrues to our wealth belongs to it automatically. [Marginal handwritten note: And the stockholders?]

2. Economic dependence

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No consideration is given in the decision, however, to our assertion in that civil lawsuit, that the "Interessengemeinschaft" agreement was concluded because it was vital for our firm. The fact that, according to paragraph 1, clause 2 of the "Interessengemeinschaft" agreement, our firm had to obtain the consent of the IG only for business which went beyond the usual scope of our trading operations, is a regulation which probably prevails also in regard to subsidiary companies [Organgesellschaften], and which especially applies in respect to more than 80 other subsidiary companies of the IG. Not even in the works actually belonging to the IG does such approval—possibly through the influence of the full Vorstand—come into consideration, since only two signatures are required on each occasion for legal representation of the firm, and the persons authorized in this connection within the framework of the general task assigned to them are entitled to make their independent decisions. [Marginal handwritten note: Big corporation.] In the same way that, for example, the dyestuffs-nitrogen or rayon business is managed by individuals, the same procedure is applied by us within the framework of the IG Konzern in the case of the explosives, gunpowder and munitions, celluloid and plastics business. In respect to economic dependence, the following details can be added:

2. *a.* It is evident from the explanations under No. I, 1, about the past business connections between the general cartel and the former German coal-tar dyestuff factories amalgamated in the IG, that the then separate Konzerns were to a very great extent in contact with each other in the economic and technical fields. This relationship increased very considerably during the subsequent period, in view of the fact that we required from the IG large quantities of nitrogen products for our plants, such as ammonia, nitric acid, urea, et cetera, and of inorganic chemicals, such as chlorates, sulfur, sulfuric acid, hydrochloric acid, oxygen, and hydrogen; and of organic chemicals, principally glycerin, glycol, toluene, and collodion cotton. Also a great number of

other products from other fields of production of the IG constitute an essential basis for the production field that was assigned to us within the framework of the IG Konzern. This applies especially to the plastics field which was developed in the closest scientific, technical, and commercial collaboration with IG works.

The fact that a certain independence was accorded to us within the field of our production (particularly for example, in explosives), in view of our experience over many decades, does not exclude the assumption of a subsidiary relationship (Reich Finance Court 22, page 187). Its own departments enjoy, within the IG as a firm, the same freedom of movement; for example, the lignite mines, or factories such as the Munich Camera Works, the Wolfen Film Factory, or the Marburg Serum Works. In this respect, many other fields of work can be cited which, within a firm and a Konzern of the extent of the IG could absolutely not be conducted in any other way than by specialization and limitation of the mutual fields of activity. It is not different even in our own firm, in which such varied fields of work as *munitions* and *plastics* are combined. The decentralized organization of the IG hereby indicated has never yet in its other subsidiary companies been taken as proof that there is no subsidiary relationship.

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II. 2. *c.* Even the "armaments business," explained in detail in previously submitted documents, cannot make our company economically independent. As stated under No. II of the substantiation of our appeal of 14 September 1939, the assumption that the armaments business formed the principal object of our undertaking in which our firm was fully independent, has no foundation; the value of our production in ammunition for hunting and sport, mining explosives, plastics, et cetera, remained, so far as concerned the period here in question, at about the same level as our deliveries to the Wehrmacht. The fact that our deliveries to the Wehrmacht were increased cannot change the conception regarding our independence as far as the armaments business is concerned; by no means was our dependence in relation to the IG affected by the increase in the volume of our business with the Army administration. The secrecy obligation in accordance with paragraph 88 of the Penal Code also applies, in the same way as to our firm, to the various works of the IG itself in respect of their employees, in dealings with persons who do not have to be informed in their official capacity. Consequently, there frequently occur, both inside the IG and inside our own firm, orders of far-reaching significance, the knowledge of which, in all their details and connections, is restricted to a few persons. It does not make any difference for the Konzern

whether these persons are members of the IG or members of our own or other subsidiary companies. This simply results from the necessity to transfer responsibility from a legal entity to actual persons. The measures taken by our firm in the armaments business, whether explosives, munitions, or plastics are concerned, are therefore to be considered on the same footing as those taken merely by the operations departments of the IG.

* * * * * * *

II. 3. Organizational dependence

The authoritative facts underlying the judgment as to organizational dependence are to be found in our statements under No. I, 1 of this substantiation of appeal. As there emphasized, the entire gunpowder and explosives interests of the IG Konzern are concentrated in our hands, with the object of facilitating the uniform conduct of this sphere of work under the direction of the Managing Board [Vorstand] of the IG.

* * * * * * *

We attach hereto a duplicate copy of this Argument of Appeal.

Heil Hitler!

Dynamit-Aktien-Gesellschaft vormals Alfred Nobel & Co.

[Signed] DR. SCHMIDT

[Signed] illegible

b. Extracts from the Judgment of the Reich Supreme Finance Court, 26 November 1943, Granting the Appeal of the DAG in the Tax Suit and Quashing the Contested Decision

[Handwritten note: Keyword: Subsidiary Status [Organschaft]: Great freedom can be given to a subsidiary company in its own branch of work.]

File ref. V 124/41 S.

In the name of the German People

In the turnover tax case of December 1938 of the Dynamit A.G., vormals Alfred Nobel and Co., in Troisdorf, (Cologne District), the 5th panel [Senat] of the Reich Court of Audit in collaboration with the Senatpraesident, Dr. Huebschmann, as chairman, and the Reich judges, Viernstein, Soelch, Probst, and Bandow, at the meeting of 26 November 1943, passed judgment on the appeal of this company against the decision given by the Oberfinanzpraesident at Cologne on 3 September 1940:

The contested decision is overruled. The appealing party is

released from the turnover tax demanded. The Reich bears the cost of the appeal.

Reasons

* * * * * * *

In view of this legal situation, it need not be considered in the final investigation of the financial relations whether IG had further influence beyond that of the percentage estimated in the preliminary decision (61 percent of the voting shares); in particular, whether the securities which, in 1938, were still in the hands of closely connected British and American companies, with whose collaboration 7,500,000 ordinary shares were issued to the appellant in 1925, were to be counted to the credit of the financial minority. Minority groups could realize a "personal" will in company decisions only if they went with the majority, but this majority has to be in conformity with the wishes of the IG.

In view of this situation, the sums credited to the appellant by the IG were not to be subject to turnover tax and, in addition, the IG's turnover, not that of the appellant, was to be subject to tax assessment. Since the appeal on this contested question was successful, the costs, in accordance with Article 309 of the Reich Taxation Decree, are to be borne by the Reich.

[Signed] DR. HUEBSCHMANN
VIERSTEIN
SOELCH
PROBST
BANDOW

* * * * * * *

TRANSLATION OF DOCUMENT NI-13573
PROSECUTION EXHIBIT 1944

LETTER FROM FARBEN'S CENTRAL TAX DEPARTMENT TO ALL THE MEMBERS OF FARBEN'S VORSTAND, 17 JANUARY 1944, CONCERNING FARBEN'S RELATION TO DAG

I.G. Farbenindustrie Aktiengesellschaft
Central Tax Department

Frankfurt/M, 14 January 1944
Grueneburgplatz Fr/K
[Handwritten] 25 Jan. 1944
[Initial] G [Gajewski]
[Stamp] Secretariat Dr. Gajewski
Rec'd: 17 Jan. 1944
Answered:

To the Members of the Vorstand of IG

Re: Dynamit-Aktien-Gesellschaft, Organschaft

Dear Sirs,

At Geheimrat Dr. Schmitz' request we are sending you enclosed for your information a copy of the judgment of the Reich Finance Court of 26 Nov. 1943, for which we fought together with the DAG in an appeal which took nearly 5 years.* According to this, the DAG is a dependent subsidiary of the concern [Organschaft], which fact had already been recognized earlier, but had been disputed when the books were examined the time before last, and has now been confirmed once again and the matter has on principle now been decided in our favor; this also includes the relationship between the firm Genschow and IG. With regard to turnover tax, the significance of the judgment lies in the fact that the so-called "deliveries within the concern" between the IG and the companies forming part of the concern on the one hand, and the DAG and Genschow as well as their subsidiary companies on the other, as well as within the groups, are free from turnover tax.

The judgment of the Reich Finance Court is in accordance with previous court decisions according to which the general picture of the actual conditions is the decisive factor for judging the dependence of the firm [Organschaft], and emphasizes that it is sufficient for the recognition of dependence [Organschaft] if the incorporation of the controlled company into the controlling

* Extracts from the judgment of the Reich Supreme Court are reproduced immediately above in Document NI-11746, Prosecution Exhibit 1958.

company which is, on principle, required financially, economically, and organizationally, is not complete in one of these three respects, but is all the more absolute in the others. The Reich Finance Court attaches the greatest importance to the general organizational obligations of the concern as a whole, the importance of which compared to the freedom of decision otherwise allowed the DAG by IG with regard to explosives, etc., is expressed in the fact that the DAG must obtain the approval of the Technical Committee for investments of more than RM 10,000.

In view of the experience we have gained during the negotiations about the Organschaft [dependence] of the Titan G.m.b.H., which was not recognized, and the appeal of the DAG, we would ask you to see that the obligations connected with the community-of-interests agreements and so forth will, in future, not just be regarded as merely a formality, so that the recognition of dependence [Organschaft] will not be jeopardized in future, in view of the considerable amounts of turnover tax involved for all subsidiary companies whose capital is not entirely held by IG; that is, particularly, DAG, Genschow, and Riebeck-Montan. The fundamental dependence on the IG should also be considered in the resolutions of the Technical Committtee and in the formulation of minutes of meetings, et cetera, in spite of all the freedom of action granted the leading officials of these subsidiary companies. We should try avoiding everything which could give the impression of an independent company within the concern, such as Rheinstahl is, for instance.

Heil Hitler!

I.G. Farbenindustrie Aktiengesellschaft

[Signed] DENCKER

[Illegible signature]

Enclosure

EXTRACT FROM THE TESTIMONY OF DEFENDANT VON KNIERIEM[1]

CROSS-EXAMINATION

* * * * * * *

MR. AMCHAN: Now you heard Dr. Dencker[2] testify as to some tax litigation regarding Dynamit A.G., and if I understood him correctly, he stated that the tax court held the DAG to be wholly dependent upon I.G. Farben. Now, could you please tell me whether you were consulted in connection with that matter?

[1] Further extracts from the testimony of Defendant von Knieriem are reproduced above in subsections IV D, VII I 6*b*, K 3*b*, and L 3*b*.

[2] Not reproduced herein. Dr. Dencker's testimony is recorded in the mimeographed transcript, 17 October 1947, pp. 2315–2329.

DEFENDANT VON KNIEREN: Yes, I was informed about that.

Q. Is it fair to say that you and I.G. Farben approved of the steps taken by Dynamit A.G. in connection with this tax litigation?

A. I don't know what steps you are referring to. I don't know what steps the Dynamit A.G. took in connection with this tax question.

Q. I show you NI–14024 which I ask that it be marked as Prosecution Exhibit 1872,* Minutes of the Legal Committee in Frankfurt, 15 November 1938.

PRESIDING JUDGE SHAKE: Are you marking it for identification?

Q. For identification, if Your Honor please. It's Exhibit 1872, NI–14024 and I ask you to please look at page 12, the reference to the effect that: "we shall appeal this decision." That is, the decision of the lower court. Does that refresh your recollection?

A. Page 12 did you say?

Q. That's correct.

A. This is missing. It happens to be missing. Just page 12 happens to be missing. I also miss pages 9 and 10. I only have pages 2, 3, 8, 13, and 14.

Q. One moment please and I will indicate it to you. Do you see that reference?

A. I am sorry but page 12 is still missing.

Q. Will you please show it to him? Do you see the part beginning with subdivision K, "turnover tax"? The part which reads: "According to the instructions received from the Reich Ministry of Finance, DAG, and Genschow and the subsidiary company which had been treated as being part of and dependent upon IG since 1 January 1927, are no longer to be recognized as such as of 1 December 1938. We shall appeal against this." Do you see that?

A. Yes. This is how it was; any turnover effected by one company to another imposes a certain amount of taxes.

Q. I am sorry, Dr. von Knieriem, do you mind? I didn't ask you for the particulars of the litigation. I asked you whether Farben approved of the steps taken by DAG to appeal the decision?

A. Yes.

Q. Is it correct to say, Dr. von Knieriem, that in the German law any misrepresentations of fact in a tax matter would constitute a criminal offense? Is that a correct statement of the German law?

A. I can't answer that question in this form. If somebody

* Reproduced above in subsection O 5.

deceives the tax authorities he is, of course, punishable; but, naturally, matters can be presented and can be handled in such a way as to safeguard one's interests, and one can be of various opinions with respect to different matters.

Q. Under German law, if somebody filed a tax return claiming that they were dependent upon another company, would a false filing of such a return be criminal? Would such a claim, if it was false, be subject to criminal penalties?

A. That would not have been any punishable act because the question of dependency or nondependency is always an issue for argument, and you see in this case that the various levels of the courts have decided differently. In other words, the first level stated, let us say, that there was dependency.* The court decided in that sense, and the next level, the higher level, decided differently, interpreted the thing in a different sense. In other words, it is a very much contested question as to whether there is or is not dependency.

Q. As a tax expert and a tax lawyer, Dr. von Knieriem, I ask you, would a misrepresentation of fact by a taxpayer stating that he is dependent upon another company, would such misrepresentations subject him to criminal penalty under the German law?

PRESIDING JUDGE SHAKE: Mr. Prosecutor, I am wondering if you aren't getting pretty far afield from any issue of fact that's involved in this case? I suggest to you that it is a little bit difficult to see the pertinency of your inquiry.

MR. AMCHAN: After touching the point I will leave it with this question, if Your Honor please. It's pertinent and we intend to bring it out in connection with other matters, but at this point I will leave it with this question.

PRESIDING JUDGE SHAKE: Very well. You may answer, Mr. Witness.

DR. SILCHER (associate counsel for defendant von Knieriem): I object to this question.

DEFENDANT VON KNIERIEM: I want to reply.

DR. SILCHER: I should like to object to this question.

DEFENDANT VON KNIERIEM: I would like to reply.

PRESIDING JUDGE SHAKE: The objection is overruled. The witness has asked the privilege of answering and he may answer.

A. It depends upon the following; if a taxpayer misrepresents facts he, of course, is punishable. If, however, he is giving a judgment, for instance, he says he is dependent upon this

* See Document 11746, Prosecution Exhibit 1958, DAG's petition to the German Supreme Court re tax litigation, reproduced above in this subsection.

company, and if he is in error in making that judgment he does not become punishable. He only becomes punishable if he misrepresents facts.*

* * * * * * *

N. The "New Order" and Expansion into German-Occupied Europe

I. INTRODUCTION

Subdivision H of count one of the indictment was entitled "With the approach of war and in connection with each new act of aggression, Farben intensified its preparation for and participation in, the planning and execution of such aggressions and the reaping of spoils therefrom." The first specifications under this title dealt, in general, with the allegations that, as the wars of aggression approached, the collaboration between Farben officials and officials of the Nazi Reich became more intensified and that Farben began to conceal and sell its assets abroad to prevent wartime seizure (pars. 67–73). Evidence on the charge of closer collaboration has not been collected in any particular subsection of the publication, but some of the evidence on cloaking is reproduced in the next major subsection below, "O. Knowledge of Aggressive Intent." The present subsection deals with those charges under this title which began with the allegation that "Farben not only protected its foreign holdings but prepared and carried out plans whereby it would reap the spoils of each aggressive act, and expand its empire at the expense of each invaded nation" (pars. 74–83).

The evidence reproduced immediately below deals mainly with Farben's activities (1), in Austria before and after the occupation of Austria in March 1938; (2), in the so-called "Sudetenland" of Czechoslovakia before and after the Munich Pact of September 1938; and (3), with respect to the "New Order" planning for the chemical industry of Europe, and particularly of France, which came under active consideration about the time of the fall of France in the summer of 1940. The charges involving Austria, Czechoslovakia, and the "New Order" are closely connected with the charges of count two of the indictment, "Plunder and Spoliation," which were also incorporated in count one of the indictment by reference (see par. 84). Consequently, the evidence reproduced in the present subsection is closely related to the materials reproduced later on in section VIII, "Plunder and Spoliation." Count five, which charged a common

* A number of the representations of DAG in the tax suit are reproduced above in the next but last document (NI–11746, Pros. Ex. 1958).

plan or conspiracy to commit crimes against peace, incorporated the allegations of counts one, two, and three by reference.

The Tribunal dismissed the charges of plunder and spoliation against Austria and Czechoslovakia by an interlocutory order on 22 April 1938 on the ground that the allegations, if established, constituted neither war crimes or crimes against humanity. However, this ruling contained the following express reservation:

> "However, we point out that under the second paragraph of count five it is alleged that the acts and conduct of the defendants set forth in counts one, two, and three, are, by reference, incorporated in count five. Therefore, evidence of such acts or conduct may, if it has probative value, be considered with respect to the alleged conspiracy or common plan to commit crimes against peace."

The Tribunal's order is reproduced at the beginning of the materials concerning plunder and spoliation, section VIII B.

The materials in the present subsection have been arranged as follows: contemporaneous documents principally concerning Austria (2 below); contemporaneous documents principally concerning Czechoslovakia (3 below); contemporaneous documents principally concerning "New Order" planning in 1940 (4 below); testimony of defendants Haefliger and Krauch (5 below); and affidavit of Dr. Kurt Krueger (6 below).

2. CONTEMPORANEOUS DOCUMENTS—AUSTRIA

PARTIAL TRANSLATION OF DOCUMENT NI–9289 PROSECUTION EXHIBIT 1069

EXTRACTS FROM THE MINUTES OF THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 10 SEPTEMBER 1937, CONCERNING CHEMICAL PLANTS IN AUSTRIA

[The following defendants are shown by the minutes as being present: Haefliger, Ilgner, Mann, Oster, Schmitz, and von Schnitzler]

8. Change in status of Anilinchemie A.G.—Collaboration with DAG and Skoda-Wetzler

Herr Weber-Andreae reports on measures to be taken in Austria, which are at present under consideration. Their main principle is to establish closer relationship between the IG and the Skoda-Werke Wetzler A.G. (SWW), as also between the Czech and Austrian branches of the Dynamit A.G. vorm. Alfred Nobel and Co. (DAG) and the SWW, in order to prevent Generaldirektor Pollack of the SWW in this way from seeking closer connections with other chemical industries, in particular with

Aussig or Montecatini, and to deter him from pushing his plans—either alone or jointly with one of those groups—for the industrialization of the chemical industry in Austria.

The firms DAG, SWW, and the IG group are each to take over one-third of the Anilinchemie A.G.'s capital stock amounting to 300,000 Austrian schillings, so that, by taking Messrs. Phillip and Pollak into the Verwaltungsrat of Anilinchemie, permanent contact may be assured and a discussion board [Aussprache-Gremium] may be established for all questions regarding development in Austria.

Over and above this, an endeavor is to be made to coordinate the sales of the three companies through Anilinchemie more effectively than hitherto—DAG and SWW are already selling a large part of their production through Anilinchemie—so that by means of a larger assortment, increased protection against Aussig and other firms may be assured.

In this connection, Dr. Oster discussed the question of how far the sale of nitrogen, which is now in the hands of Detag * could also be transferred to Anilinchemie.

It is agreed that these questions should be discussed in detail with Herr Philipp, who is at present in Berlin. At the same time, Herr Philipp should be asked to support our interests in the Southeast of Europe with regard to other questions as well, such as for instance, the project of establishing a nitrogen factory in Austria. Thereupon, Geheimrat Schmitz invites Herr Philipp to the meeting. He thanks Herr Philipp for supporting IG interests, not only in Austria, but also in all states in the Southeast of Europe. Dr. von Schnitzler mentions particularly the assistance rendered in connection with Aussig and asks Dr. Ilgner to express our ideas to Herr Philipp. After a lengthy discussion, Herr Philipp expresses his willingness to participate in the realization of our plans.

* Although "Detag" is the name mentioned in the original document, this probably refers to "Dehag" Slowakische Gesellschaft fuer Handel mit Kunstduenger und Chemikalien m.b.H.

PARTIAL TRANSLATION OF DOCUMENT NI-5732
PROSECUTION EXHIBIT 900

EXTRACT FROM THE MINUTES OF THE MAIL CONFERENCE OF FARBEN'S BERLIN NW 7 OFFICE, 5 OCTOBER 1937, CONCERNING NEUBACHER'S ACTIVITIES IN AUSTRIA AND CZECHOSLOVAKIA

Mail Conference Minutes No. 79

Management Department, G/Ri
5 October 1937

Present: Frank-Fahle (Chairman)
Passarge
Helfert

Terhaar
Jacobsen
Schwarte
Dihlmann
Rong (part of time)
Platzer
Gierlichs (Recorder)

Schiller, Neubacher } (part of time)

* * * * * * *

II. Office of the Commercial Committee

1. Authorization and Introductions for Dr. Neubacher—Journey to Czechoslovakia (in presence of Dr. Neubacher) *

On Frank-Fahle's inquiry, Neubacher reported that he had received his special commission for Czechoslovakia from Ilgner via Gattineau, and that at an earlier date, Krueger had also expressed a similar opinion. Neubacher stated, in addition, that he had been asked by Gattineau to be available in Vienna during Geheimrat Bosch's presence there. Frank-Fahle asked Neubacher to proceed most cautiously with his activities while staying in Czechoslovakia, particularly in his dealings with official quarters, and in this connection pointed out the special difficulties which arise in connection with activities in Czechoslovakia. He further asked Neubacher first to come back from Vienna to Berlin in order to discuss the journey program with Krueger once more and to prepare the journey, together with the Office of the Commercial Committee, by arranging introductions to agencies and

* An extract from Farben's plant magazine concerning Dr. Neubacher is reproduced immediately following.

perhaps to other parties involved. Frank-Fahle will make reference to the intended journey at the meeting of the Commercial Committee.

In this connection Frank-Fahle asked Neubacher always to forward copies of his letters to the various departments to the Office of the Commercial Committee, which acts as liaison office for people working for us abroad, in order to ensure better utilization of his activity.

* * * * * * *

On the Agenda. In Schiller's presence, the present status of the negotiations with Skoda-Wetzler as well as Neubacher's journey to Czechoslovakia were briefly discussed once more. Frank-Fahle requested Schiller in future to participate in the mail conferences whenever he is in Berlin. The members of the mail conference were asked to place on those days especially those items on the mail conference agenda which fall within Schiller's scope of work.

[Signed] FRANK-FAHLE

PARTIAL TRANSLATION OF DOCUMENT NI-1135 PROSECUTION EXHIBIT 1065

EXTRACT FROM FARBEN'S PLANT MAGAZINE,* 1938, CONTAINING A LETTER OF APPRECIATION FROM DR. NEUBACHER TO FARBEN, AND A COMMENTARY BY FARBEN'S PRESS OFFICE CONCERNING DR. NEUBACHER

Visit to Dr. Engineer Hermann Neubacher, Mayor of Vienna

I beg to thank you, dear Dr. Ilgner, and your employees for the kind congratulations you conveyed to me and assure you that I shall always feel united with IG in comradeship. I am looking forward with pleasure to seeing you soon again at the IG House in Berlin NW 7.

Yours,
Neubacher

Certainly many, let us say, most, of us IG people did not know that SA Brigadefuehrer Dr. Engineer Hermann Neubacher, Mayor of Vienna, "moved" directly from his office chair in the IG at Berlin NW 7 to the desk of the highest official of the new German city, Vienna. He had been one of our many IG comrades before the fulfillment of the eternal German dream, the realization of the definite return of Austria to the German Reich, led him into the City Hall of Vienna.

We may now disclose this secret in our plant magazine without

* "Von Werk zu Werk," Farben's house organ.

any scruples. For many months Dr. Neubacher served at IG's Berlin NW 7 office as a specialist on economic problems of Eastern Europe and was consulted there for the examination and execution of certain measures which had proved necessary in the course of the economic developments. As a loyal coworker who was liked by all for his charming personality, he was on the staff of the central business office at Berlin, and filled the position assigned to him, just as we all do. From there he could see the Brandenburger Tor and the street, "Unter den Linden," through the window, where he repeatedly witnessed historical events in the capital of the German Reich. We can easily imagine with what feeling in his heart he may have compared the prosperity of Berlin with the decline of Vienna; that was only too familiar to him.

* * * * * * *

Mario Passarge
I. G. Berlin NW7

PARTIAL TRANSLATION OF DOCUMENT NI-9289
PROSECUTION EXHIBIT 1069

EXTRACTS FROM THE MINUTES OF THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 23 MARCH 1938, CONCERNING QUESTIONS ARISING FROM "THE REINCORPORATION OF AUSTRIA IN THE REICH"

[The following defendants are shown by the minutes as being present: Haefliger, Ilgner, Mann, and Kugler]

1. *General*

Herr Otto, on opening the meeting, lays stress on the fact that the extraordinary meeting has been called for the purpose of discussing the questions which arise from the reincorporation of Austria in the Reich.

Herr Schiller then gives a detailed report of developments in Austria in the last few weeks and of its effects on the sales organizations of IG and on the firms connected with IG.

Dr. Frank-Fahle reads an exposé containing a survey of the present status of the principal IG interests in Austria. It is decided to complete this exposé and to keep it for internal use.

2. *Skoda-Wetzler—DAG*

Discussion of the situation as it presents itself since the recent developments shows that there is no longer any obstacle to the immediate carrying out of the first step—namely, the acquisition of the majority of Skoda-Wetzler—before the complete merging of the two companies, as planned at an earlier stage, is resolved upon. It is therefore decided that, for this purpose, Messrs. Haefliger and Schiller shall immediately establish connections

through Herr Fesenmeier* [sic] with State Secretary Keppler, the Reich Plenipotentiary for Austria, in order to hasten the execution of this step.

It is agreed that the interests of the DAG in Austria and in Southeast Europe must be subjected to reorganization. A plan for this is to be worked out on the occasion of Herr Philipp's visit in Berlin on 29 March of this year, in concurrence with Dr. Mueller and Berlin NW 7. As a matter of principle, the DAG will separate the spheres, chemicals and explosives, so that the former will come within the scope of the present Skoda-Wetzler, and the latter will require a new setup, possibly in connection with Hirtenberg, in which other German industrial enterprises are also interested.

3. *Personnel*

There exists complete agreement as to the fact that, in order to safeguard uniform Farben interests, all non-Aryans employed by the Austrian organizations, in accordance with the directives issued by Geheimrat Schmitz, should be given leave of absence, or should be dismissed at the earliest possible date. Likewise, the members of Aufsichtsrats and Verwaltungsrats, insofar as they are non-Aryans, are to be asked to give up their mandates.

Herr Schiller reports that he was asked to fill the gaps in the management of Skoda-Wetzler and DAG resulting from the elimination of non-Aryans; he says that this has partially and temporarily been taken care of through the personnel procured by the Sales Combine Chemicals and by Berlin NW 7.

Dr. Mueller reports in this connection on his conferences with General Thomas and thanks Herr Schiller for his intervention in the interests of the explosives concern.

4. *Organization*

Changes in representatives are to be made at the earliest possible date in the sales offices of the IG. It will still be possible to procure the authorization even within the framework of the laws which have been published. In this connection the liquidation of Anilinchemie A.G. is decided upon.

* * * * * * *

* Reference is to Edmund Veesenmayer, a defendant in the Ministries case (see vols. XII–XIV, this series), who was at this time (1938) attached to the office of Wilhelm Keppler, State Secretary for Special Assignments in the German Foreign Office.

PARTIAL TRANSLATION OF DOCUMENT NI-3982*
PROSECUTION EXHIBIT 1071

LETTER OF DEFENDANT HAEFLIGER TO DIRECTOR GENERAL JOHAM OF THE OESTERREICHISCHE CREDITANSTALT, 29 MARCH 1938, CONCERNING A CONFERENCE WITH RESPECT TO SKODA-WETZLER

I.G. Farbenindustrie Aktiengesellschaft, Frankfurt am Main (20)
Vienna, 29 March 1938

To Generaldirektor Joham
Oesterreichische Creditanstalt-Wiener Bankverein
Wien I
Schottengass 6

Dear Sir:

We beg to revert again to the detailed conversation we had this morning and to give you a written confirmation thereof in the summary which follows:

After concrete negotiations had been carried on for more than a year with regard to the fusion of the plants Skodawerke-Wetzler A.G. and the Austrian part of the Dynamit Nobel concern, Bratislava, and when tangible results were imminent, we offered our services at your request, immediately after the political change, for an interim management of the affairs of the Skodawerke-Wetzler A.G.

Our conference today was for the purpose of discussing the new situation. The resignation of influential members of the business management of the Skodawerke-Wetzler A.G. makes it imperative for you to appoint new people. For the vacancy which has arisen in the Vorstand of the Skodawerke-Wetzler A.G. we have already said that we are willing to make available to you the services of Herr Guenther Schiller, who until now was a member of the Verwaltungsrat of the Anilinchemie-Aktiengesellschaft, as well as of additional experts for the commercial side, and, if you wish it, for the technical side, too. This measure is in the interest of both parties, as, in the course of our conversation, you declared that our wish to take over definitely a controlling majority in the Skodawerke-Wetzler A.G. (or to acquire an option on a certain percentage of the shares), would, in view of the change of circumstances, correspond to your own ideas. In any case, a substantial minority is to remain in your possession. The idea was that we should acquire the stock in question

* Document NI-3982 also contains letter of reply to Farben together with letter from the Oesterreichische Creditanstalt to the Ministry for Commerce and Communications.

at a *normal price,* corresponding to its actual current value. The *report* of a neutral Trustee Company [Treuhandgesellschaft] is to serve as a basis for the evaluation.

You pointed out that the Anschluss would result in better prospects for the enterprise in the future than in the past, and that this circumstance should be taken into account at the estimation. An evaluation in figures beforehand, however, is not possible. We therefore suggest that such evaluation be expressed by your participation in the increase of profit in a form which has still to be determined. This settlement would have to be given time limits by fixing an annual maximum.

We explained to you that we are still pursuing our aim of uniting the plants of the Skodawerke-Wetzler A.G. with the Austrian plants of Dynamit Nobel, Bratislava, under some such designation as "Ostmark" Chemie Aktiengesellschaft, as we expect such a fusion to give the best opportunities for further development, besides simplifying the administration and reducing the costs thereof. The necessary separation of the Austro-German and foreign spheres of activity of the Dynamit-Nobel concern would, however, require some time.

We further informed you that we have decided to liquidate our sales agency [Verkaufsfirma], the Anilinchemie Aktiengesellschaft. In its place, we intend to set up a new firm with the title "Ostmark" Chemikalien-Handels-Aktiengesellschaft, which we consider as the appropriate sales organ both for the "Ostmark" Chemie Aktiengesellschaft and its predecessors, as well as for the IG-Chemikalien. This corporation, on the basis of contracts with its own customers, will have to carry out its sales either as a broker or in the capacity of a commission merchant [Kommissionaer]. In this way it would continue, on a broader basis, the sales which were effected jointly until now.

We are both aware that this settlement will require the approval of the authorities and we should be grateful if you on your part would take the necessary steps in this respect.

We have already been to see Minister Fischboeck today in this matter, and he is awaiting a written request from your firm.

Heil Hitler!

I. G. Farbenindustrie Aktiengesellschaft

[Signed] HAEFLIGER

[Signed] SCHILLER

PARTIAL TRANSLATION OF DOCUMENT NI-3981
PROSECUTION EXHIBIT 1072

EXTRACTS FROM CONFIDENTIAL NOTES OF DEFENDANT HAEFLIGER, 6 APRIL 1938 CONCERNING VARIOUS CONFERENCES IN VIENNA WITH JOHAM, FISCHBOECK, VEESENMAYER, KEPPLER, AND OTHERS

Confidential Frankfurt on the Main, 6 April 1938

Some Notes Concerning My Stay in Vienna

Tuesday 29 March 1938, A.M.: Discussion with Generaldirektor Joham of the Oesterreichische Creditanstalt, and Pollak.*

Discussion of the changed situation, which induces Joham to agree on principle to cede the majority of Skoda-Wetzler shares to the IG. I mentioned about 70 percent but left the question open. Joham (whose position, I heard later, is endangered) does not want to be blamed for having disposed carelessly of large shareholdings. Being aware of this tendency, obviously to be maintained by any eventual successor, I proposed that a trust company [Treuhandegesellschaft] should audit the accounts and that their report should serve as a basis for the selling price. Better prospects of the works in the future—expected by Joham—shall be taken into account, insofar as beside the normal selling price of the shares there will be issued a bonus [Genusschein] valid for a number of years, at a nominal price and a maximum interest rate still to be fixed. Joham agreed to this suggestion as it helps us to pass a dangerous corner. He asked us (on request from Pollak), to delegate, in our capacity as large shareholders, Mr. Schiller to the executive board [Vorstand] of Skoda-Wetzler. A letter to that effect was sent 2 days later to Mr. Schiller; this appointment has to be approved formally by a decision to the supervisory board [Aufsichtsrat], which, due to the resignation of the Jewish members, is not in a position to act at present. We shall recommend to elect Dr. Haager to the supervisory board [Aufsichtsrat], and in case the number of members as required by the articles of association should not be reached, we will recommend to elect another man of the IG. Furthermore we shall propose Dr. von Pongratz as titulary director with power of attorney [Prokura] in the Skoda-Wetzler as an assistant to Dr. Haager.

* An official of Skodawerke-Wetzler A.G.

Tuesday, 29 March 1938, P.M.: Visit with Minister of Commerce Fischboeck

We told Mr. Fischboeck about our plans, stressing the point that we are not here to exploit the situation, but to do some constructive work. Mr. Fischboeck accepted our proposals favorably and asked us to have Mr. Joham submit to him a short report, which was done the following day. He emphasized that he was in close contact with Mr. Keppler, but that no decision could be made before 10 April.

Wednesday, 30 March 1938: Discussion with Dr. Veesenmayer of Keppler's office.

State Secretary Keppler was on a trip; in his place Mr. Veesenmayer received us and we reported to him about our plans. The reception was quite favorable. He said that he couldn't give us *"carte blanche,"* but that under the present circumstances, the combination Skoda-Wetzler Nobel-Concern might very well be the proper one. I also explained to Mr. Veesenmayer that there is no reason for concern if the IG should be forced by the situation to send some of their members into the executive and supervisory boards of Skoda-Wetzler and Deutsch-Matrei. This would be necessary in order to maintain activity and give assistance. The official point of view, to employ Austrians wherever possible, is known to us. We have already taken this official point of view into account by training some Austrian gentlemen in IG for several years. I emphasized that no material interest is involved for the IG men delegated to a supervisory board as any dividends paid to them will be deducted from their IG income. All these men could be recalled later on, after the final adjustment, it being well understood that we, too, will be interested to have a corresponding Austrian representation in the final setup, when the whole plant is completed.

Saturday, 2 April, evening:

I was also received by State Secretary Keppler, at the Hotel Imperial. I gave him a short report about our activities in Vienna. His reception was also favorable; he mentioned only that it was not desirable that IG should buy all the small chemical plants in Austria.

I took advantage of the opportunity—pursuant to a cue from Mr. Keppler—to sound him out on the attitude of German authorities as to exerting influence on enterprises in the Sudetenland. Keppler was of the opinion that such an exertion of influence was quite desirable, but should not cost too much. The whole matter should not be considered by us from the point of

revenue, because, in his belief, the economic prospects for Czechoslovakia were not good, as she might be barred from the southeastern countries. I aimed, of course, at Aussig, being aware that Basch recently had made confidential inquiries, whether we would be interested in buying some Aussig shares by way of Dynamit Nobel Pressburg [Bratislava]. We also heard in Vienna from different sources that Czech enterprises are already beginning to dispose of some of their holdings in the Sudetenland. Keppler asked me to report to him (at Berlin at my earliest opportunity) on Aussig more in detail. Evidently he is very much interested in the idea. I explained to him the important role Aussig played in the Southeast and also, that it wouldn't do to bar Aussig from its markets; that would mean competition in our markets, and consequently a cut in the supply of foreign currencies.

Thursday, 31 March:

I visited, together with Dr. Haager, Moosbierbaum, which impressed us very favorably.

The rest of the time was filled with discussions at the *Anilinchemie.*

* * * * * * *

[Signed] HAEFLIGER

Enclosures:

1. Correspondence with Generaldirektor Joham, Vienna.
2. Memorandum on a new order of the Greater Chemical Industry in Austria, for the Keppler office.*

[Handwritten pencilled notes]:
K.A. [Commercial Committee] (returned to me)
Dr. Ilgner
Dr. Weiss
Travel Folder Hae [Haefliger]

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* The letter eventually sent to Keppler is reproduced immediately below.

TRANSLATION OF DOCUMENT NI–4024
PROSECUTION EXHIBIT 1040

LETTER FROM DEFENDANT HAEFLIGER AND DR. KRUEGER TO STATE SECRETARY KEPPLER, 9 APRIL 1938, ENTITLED "NEW ORDER OF THE GREATER CHEMICAL INDUSTRY IN AUSTRIA"

COPY

I.G. Farbenindustrie A.G. Berlin NW 7, 9 April 1938
Unter den Linden 82

To the Office of the State Secretary Keppler*
Vienna, Ballhausplatz

Kg/Uhl

New Order of the Great Chemical Industry in Austria

[Neuordnung der chemischen Grossindustrie Oesterreichs]

In the Austrian greater chemical industry, two firms take by far the lead with respect to both volume and importance of their production: the Carbidwerk Deutsch-Matrei A.G., which belongs to Dynamit Nobel A.G., Troisdorf, and the Pulverfabrik Skodawerke-Wetzler A.G., in which the Oesterreichische Creditanstalt has a controlling interest.

Carbidwerk Deutsch-Matrei A.G. controls the following plants or associated companies [Konzerngesellschaften] in Austria:

1. Carbidwerk Deutsch-Matrei A.G.

   Capital: S [Austrian schillings] 2,800,000

   Plants: Deutsch-Matrei (on the Brenner Pass)
   Brueckl (Carinthia)

   Products: Chlorine, alkali electrolysis and derivatives thereof

2. Continental Gesellschaft fuer angewandte Elektrizitaet [Continental Company for Applied Electricity]

   Capital: Swiss francs 2,400,000

   Plants: Landeck and Wiesberg (power station) on the Arlberg

   Products: Calcium carbide and ferrosilicon

3. Oesterreichische Kunstduenger-Schwefelsaeure und Chemische Fabrik A.G. [Austrian Fertilizer-Sulfuric Acid and Chemical Plant]

   Capital: S [Austrian Schillings] 1,200,000

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* Wilhelm Keppler was Economic Adviser to Hitler, Reich Plenipotentiary for Austria, and State Secretary for Special Assignments in the Foreign Office. He was a defendant in the Ministries case. See vols. XII–XIV, this series.

Plant: Deutsch Wagram (Lower Austria)

Products: Superphosphate and sulfuric acid

The Skoda-Wetzler control the following plants or associated companies:

1. Pulverfabrik Skodawerke-Wetzler A.G.

   Capital: S 7,000,000

   Plants: Moosbierbaum-Heiligeneich near Tulln (Lower Austria)

   Products: Inorganic acids, heavy chemicals, nitrogen products, and superphosphate

2. Chemische Fabric Wagenmann, Seybel & Co. A.G.

   Capital: S 1,000,000

   Plant: Liesing (Lower Austria)

   Products: Inorganic acids and heavy chemicals

In addition, the Skodawerke-Wetzler have the management of the state-owned powder plant in Blumau.

In view of the fact that in a small country such as Austria the possibilities of development of a chemical industry are limited, the said Austrian firms have at all times leaned on I.G. Farbenindustrie Aktiengesellschaft as was expressed by the numerous agreements and conventions, as well as by the establishment of a joint sales organization, the Anilinchemie A.G., Vienna. Thus Anilinchemie A.G. sells a large portion of the chemical products of Deutsch-Matrei and Skodawerke-Wetzler and also acts as agency of I.G. Farbenindustrie Aktiengesellschaft for the latter's chemicals in Austria, and is entrusted with the supervision of this business in southeastern Europe.

Following the coordination of sales interests already achieved in the Anilinchemie, in the past year the I.G. has seized (in agreement with the competent Reich offices) the initiative for further standardization of both sales and production.

In February 1938, following lengthy negotiations with the Austrian partners (Deutsch-Matrei and Skodawerke-Wetzler A.G.), a plan was drawn up providing for the merger of Carbidwerk Deutsch-Matrei and Skodawerke-Wetzler A.G., under the auspices and possible simultaneous participation of I.G. Farbenindustrie Aktiengesellschaft, into the *"Ostmark-Chemie A.G."* The sales interests of the partner firms were to be coordinated in the future by a new *"Ostmark-Chemikalien Handels A.G."*

In view of the reincorporation of Austria these negotiations were at first interrupted, on the one hand as a result of the fact that the controlling parties participating on the Austrian side in

these negotiations were not Aryan, and, on the other hand, pursuant to the decree of 19 March 1938,* imposing restrictions on the establishment of commercial and industrial enterprises in Austria (Reich Law Gazette I, p. 264).

It is, however, very urgent to bring said negotiations to a speedy conclusion.

a. The leading officials—it is true—have been in the meantime replaced by Aryans. The equally necessary reorganization of personnel in subordinate positions can be completed appropriately and with a long-range view only when a clear picture of the future situation exists.

b. Under the tariff protection enforced in Austria hitherto, various types of production have been adopted which, following the removal of the tariff barriers between Austria and the old Reich, can hardly be maintained in the interest of the German-Austrian industrial consumers. In order, however, to keep the Austrian chemical industry going, it will be necessary, as speedily as possible, to shift, whenever required, certain types of production from the old Reich to German-Austria and vice-versa.

c. The groundwork should be laid immediately to prepare assignments to be carried out by the greater chemical industry of Austria within the framework of the Four Year Plan.

We, therefore, request that we be authorized to liquidate Anilinchemie A.G. and establish "Ostmark" Chemikalien Handels A.G. and to continue our negotiations to prepare the acquisition of a controlling interest in the Skodawerke-Wetzler A.G. and/or to merge Carbidwerk Deutsch-Matrei A.G. with the Skodawerke-Wetzler A.G.

We shall keep the competent authorities informed about the progress made in these activities and we shall, of course, resubmit for approval individual decisions whenever required on the strength of existing regulations.

Heil Hitler!

I.G. Farbenindustrie Aktiengesellschaft

Signed: HAEFLIGER

Signed: KRUEGER

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* Prosecution Exhibit 1058, NI-8041, not reproduced herein.

PARTIAL TRANSLATION OF DOCUMENT NI-9289
PROSECUTION EXHIBIT 1069

EXTRACT FROM THE MINUTES OF A SPECIAL FARBEN MEETING ON AUSTRIA, 19 APRIL 1938

[The minutes of this special meeting show that the following defendants were present: Haefliger, Ilgner, and Kuhne. Concerning this special meeting on Austria, the minutes of the ensuing meeting of Farben's Commercial Committee on 22 April 1938 states the following: "Dr. Frank-Fahle (Secretary of the Commercial Committee) reports on the Austria Meeting on 19 April of this year, the minutes of which are to be attached to the record of the Commercial Committee".]

As it appears from reports of Haefliger, Haager, and Schiller —which partly had been previously submitted in written form, and partly were again read during the meeting—neither the Party nor the authorities in Germany proper [Altreich] and in German-Austria have any fundamental objection to our long-cherished plan of uniting the chemical industry of Austria, that is, of DAG, and Deutsch-Matrei, and SWW, [Skoda-Werke Wetzler A.G.] respectively. They feel that our cooperation [Zurverfuegungstellung] in the management of the two enterprises, which was asked for by the gentlemen in charge there, is to be considered as a logical development. However, we cannot count on the next few weeks bringing us the necessary authorizations for new foundations, for the acquisition of stock and the conclusion of lease agreements and agreements as to options, the reason being that there is a desire for a 100 percent observance of the existing decree relating to the economic blockade.

On the other hand, for a further orderly operation of the works it is necessary to create committees capable of exercising authority in the Vorstand and in the administration of SWW and Deutsch-Matrei.

Kuehne therefore said he was willing to offer the services of Dr. Hackhofer (a German-Austrian and up to now the deputy manager of the plant in Uerdingen) for the active technical management both in SWW and Deutsch-Matrei.

Ilgner suggests that Dr. Paul Mueller [Chairman of DAG] be asked for his consent to having Hackhofer and Schiller appointed as members of the Vorstand of Deutsch-Matrei, and at the same time of Landeck and Wagram.

At the present moment it does not seem expedient to present a second person as member of the Vorstand of SWW; since, however, Haager is scheduled for the Verwaltungsrat of SWW (which will be chosen during the new elections to take place at an extraordinary general meeting on 2 May 1938), and since Haager is to act as representative of the Verwaltungsrat in the business

management, and is to be entrusted with the technical control of the enterprise, he can immediately be replaced by Hackhofer. The IG has been asked by the [Oesterreichische] Creditanstalt to make further suggestions for new appointments to the Verwaltungsrat of SWW. Schiller will give Joham the names of Messrs. Kuehne and Haefliger and will report to Frankfurt or to Berlin as to whether contacts established with Neubacher and Veesenmayer produce any further suggestions, especially for German-Austrians.

* * * * * * *

In addition, a detailed discussion takes place as to the possibilities of combining the different firms in German-Austria, and of creating a new order in general in our industrial interests in Southeast Europe, as far as the new situation (that is, the incorporation of German-Austria into the Reich) makes this necessary. Plans which were previously discussed for relinquishing one or the other of the spheres of influence affiliated to DAG in exchange for a more pronounced participation in the Austrian enterprises, are being dropped. Krueger is instructed that when he is in Budapest next week, he is to look into the possibility of acquiring the minority participation of the Pester Ungarische Kommerzialbank in DAG Bratislava. Should this attempt fail, the possibility must be investigated of a pool agreement with the Hungarians as regards the joint possessions in stock of DAG Bratislava, and of a leasing of the Austrian plants of DAG Bratislava. In view of the fact that the question is still quite open as to whether there will be a fusion or a leasing, and whether the separate companies and their respectively existent administrations will be kept, the drawing up of a list of suggestions for appointments to the Verwaltungsrat of the new company (Ostmark-Chemie) is temporarily postponed.

On the other hand, investigations must be made at once to see to what extent there is a necessity for changes in the personnel and organization of the Southeast European subsidiary companies of DAG Bratislava, as well as in the latter itself.

In reply to Aussig's suggestion for an exchange of stock, Aussig shares for DAG shares, no definite decision can be taken for the moment. Ilgner undertakes to discuss with Geheimrat Schmitz the possibility of a sale of Aussig stock.

Data explaining the significance of the "Aussig" complex are to be prepared as speedily as possible in Berlin and Vienna.

PARTIAL TRANSLATION OF DOCUMENT NI-9631
PROSECUTION EXHIBIT 1076

EXTRACT FROM A DRAFT LETTER FROM FARBEN TO THE STATE COMMISSAR FOR PRIVATE ENTERPRISE IN GERMAN-OCCUPIED AUSTRIA, 24 MAY 1938

Draft

Berlin, 24 May 1938

To the State Commissar for Private Enterprise [Staatskommissar fuer Privatwirtschaft]

Engineer Walter Rafelsberger

Ballhausplatz, Vienna I

Dear Sir,

With reference to our letter of 9 April 1938* to State Secretary Keppler, we wish to give you the following information:

Two firms occupy leading positions in the greater chemical industry of Austria by reason of the amount and importance of their production. These are: Carbidwerk Deutsch-Matrei A.G., belonging to the Konzern Dynamit Nobel A.G., Troisdorf, and Pulverfabrik Skodawerke-Wetzler A.G., the stock majority of which is owned by the Oesterreichische Creditanstalt.

Carbidwerk Deutsch-Matrei A.G. owns the following plants and/or associated companies in Austria:

* * * * * * *

Skodawerke-Wetzler owns the following plants and/or associated companies:

* * * * * * *

Detailed negotiations for a merger of these plants under the management of Farben have already been in progress for more than a year and were nearing conclusion in February of this year. The return of German-Austria to the Reich makes the matter more urgent, as the chemical industry of the Ostmark is now confronted with a number of great new tasks.

In view of conditions in the Altreich [Germany prior to 1938], those products (heavy chemicals), the transport of which is expensive in comparison to the material value, will at first be manufactured in the Ostmark itself. It must be remembered in this connection that, in order to work Southeast Europe intensively, recourse must be had in the first place to the production centers nearest at hand—that is, the Ostmark.

The chemical industry in the Ostmark will be further revived

* Document NI-4024, Prosecution Exhibit 1040, reproduced above in this subsection.

by the fact that a big increase in all trades can be expected in this area, so that the present demand will grow considerably.

Finally, it must also be borne in mind that the Four Year Plan for Austria, still to be announced by official quarters, will entail further large demands in the field of chemicals.

Existing production centers will be mainly utilized to meet this increased demand.

From these points of view we expect a big increase in the following products, which are already being manufactured by the firms mentioned above:

Sulfuric acid
Hydrochloric acid
Sulphate
Chlorine
Caustic soda solution
Superphosphate
Carbide
Ferro-silicon
Fuller's earth, et cetera

It will be necessary to convert some of these plants (for example, electrolysis and perhaps sulfuric acid as well) whose equipment has hitherto proved adequate to cope with the demands made on it, to other processes, in order to reach the standards of quality and quantity required today.

In addition, some new branches of production are expected to be started, as, for instance: Carbon disulfide and some of our new substitute materials.

The extent of the demands made by the armament industry and the Four Year Plan will be decided by the heads of the state.

The existing chemical industry of the Ostmark will not be able to fulfill these assignments unaided. Farben possesses ample experience and knowledge of processes and is prepared to make them available.

In order to push these plans, we must obtain permission from official quarters to acquire the stock majority of Skodawerke-Wetzler, which is still in the hands of the Creditanstalt. The Oesterreichische Creditanstalt-Wiener Bankverein has informed us that it is ready in principle to conclude this transaction.

The advantage which this represents for all concerned consists in the fact that it will be possible for us to distribute the new productions to the best advantage (in accordance with existing installations, and with due consideration of their geographical situation), to the consumer localities; to carry out new projects either in one of the existing production centers or in new centers

to be established; and to follow out a program of work arranged with due regard to the respective capacities of the plants belonging to the Skoda-Wetzler Konzern and the other companies, Deutsch-Matrei, Continentale, and Wagram.

We think that this could be arranged by merging all these production centers in a *Donau-Chemie A.G.* which would be responsible for the allocation and execution of the production program, and a second new company to be established, namely, the *Donau-Chemikalien-Handels-Gesellschaft.*

This company will, itself, sell the products of Donau-Chemie A.G., the products of the chemical Sparte of I.G. Farbenindustrie A.G., and other influential chemical enterprises of the Reich and the Ostmark; and will also work on the promotion of exports to the Southeast.

Our report may be summarized in the following requests to sanction:

1. The acquisition of the stock majority of Skodawerke-Wetzler through the purchase by I.G. Farbenindustrie of the shares owned by the Creditanstalt.

2. A merger of Carbidwerk Deutsch-Matrei and Skodawerke-Wetzler in Donau-Chemie A.G.

3. The liquidation of Anilin-Chemie A.G.

4. The establishment of the new company, Donau-Chemikalien-Handels-Gesellschaft.

Heil Hitler!
I.G. Farbenindustrie Aktiengesellschaft

PARTIAL TRANSLATION OF DOCUMENT NI-9289
PROSECUTION EXHIBIT 1069

EXTRACTS FROM THE MINUTES OF THREE MEETINGS OF FARBEN'S COMMERCIAL COMMITTEE, BETWEEN 24 MAY 1938 AND 16 JULY 1938, CONCERNING CHEMICAL PLANTS IN AUSTRIA

24 May 1938

[The minutes show the following defendants as being present: Gattineau, Haefliger, Ilgner, Kugler, Schmitz, and von Schnitzler]

4. *Austria*

Dr. Ilgner reports on the measures which have been taken. Dr. Fischer is appointed agent for the Austrian territory. As he is prevented by military service from taking up his position immediately, Dr. Gattineau will take over his duties for him in the meantime. In this connection it is stated that the necessary steps for the acquisition of Skoda-Wetzler are to be continued.

16 June 1938

[The minutes show the following defendants as being present: Haefliger, Ilgner, Oster, and von Schnitzler]

1. *Austria*

Dr. Ilgner and Dr. Fischer report on the negotiations which took place and the measures to be adopted as a result of the approval granted 2 June 1938 by the State Commissar for Private Enterprise for the acquisition of the Skodawerke Wetzler A.G. and the formation of the Chemische Werke Donau A.G.[1]

With regard to the DAG [Dynamit A.G. vorm. Alfred Nobel & Co.], Vienna, and the Carbid-Werke Deutsch-Matrei A.G., a proposition has been submitted by the DAG Bratislava, to sell these companies at a suitable price to the Chemische Werke Donau A.G. The Reich wants to take over the Sprengstoff-Werke Blumau A.G. [explosives works], and thereby eliminate the non-military explosives.

It is agreed that the Chemische Werke Donau A.G. shall be constructively extended and that the IG shall, within its sphere of interest, participate with all its might in the building up of Austria and place its cooperation at the disposal of official agencies.

It is decided that in all matters of a general nature, which concern firms belonging to our sphere of interests in the country of Austria, Dr. Ilgner will act as central authority for the IG, and that Dr. Fischer, as agent for the territory of Austria, shall work under him. Herr Haefliger reports on the proposal of Dr. Fattinger, Director General of the Treibacher Chemische Werke A.G., Kaernten [Carinthia], to the effect that the IG should take an interest in the Treibacher Werke.

15 July 1938

[The minutes show the following defendants as being present: Oster and von Schnitzler]

9a. Elimination of the Austrian Plants from DAG Bratislava[2]

Dr. Fischer reports on the conferences in Budapest which led to an agreement between Troisdorf, Bratislava [Pressburg], and IG, the carrying out of which will await official authorizations.

9b. Skodawerke Wetzler A.G.

The acquisition of the stock of this company is discussed.

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[1] The letter from the State Commissar for Private Enterprise, signed "Dr. Bilgeri," giving his approval, is not reproduced herein.

[2] See Document NI-9630, Prosecution Exhibit 1091, reproduced in part immediately below. "Bratislava" was called "Pressburg" in German terminology and hence the references to both "DAG Bratislava" and to "DAG Pressburg" in the documents.

9c. Treibacher Chemische Werke A.G.

Dr. Fischer reports on the continuation of the negotiations, in particular on the anticipated amount of the participation and costs of acquisition, as well as on the possibility of an increase in the generation of current.

PARTIAL TRANSLATION OF DOCUMENT NI-9630
PROSECUTION EXHIBIT 1091

EXTRACT FROM A LETTER OF FARBEN TO THE REICH MINISTRY OF ECONOMICS, 18 JULY 1938, CONCERNING THE ACQUISITION OF STOCK IN VARIOUS CHEMICAL FIRMS

I.G. Farbenindustrie Aktiengesellschaft
Zentral-Finanzverwaltung [Central Finance Administration]
Berlin NW 7

To Reich—and Prussian Ministry of Economics
Berlin W 8, Behrenstr. 43

Copy 18 July 1938

Finance Secretariat
Ke/P. 1214

Transfer of Oesterreichische Dynamit Nobel A.C., Vienna, and Carbidwerke Deutsch-Matrei A.G., Vienna, from Aktiengesellschaft Dynamit Nobel, Pressburg.*

We submit to you, in our own name and that of our associated company, Dynamit-Aktiengesellschaft vormals Alfred Nobel & Co., Troisdorf (DAG Troisdorf), the following statement:

For about 1½ years—that is, since sometime before the Anschluss [union of Austria and Germany]—we have been negotiating with the parties concerned on a pooling of the stock and organization of the Pulverfabrik Skodawerke-Wetzler A.G. Konzern, the stock majority of which is at present still owned by Oesterreichische Creditanstalt, and the firms Oesterreichische Dynamit Nobel A.G., Vienna, and Carbidwerk Deutsch-Matrei A.G., and their subsidiaries, belonging to the Aktiengesellschaft Dynamit Nobel, Pressburg (C.S.R.) Konzern,* in order to secure the technical equipment which these chemical plants have come to require through the progress of time and the elimination of unnecessary competition among them. Since the Anschluss it has become a matter of urgent necessity that our plans should be carried out, as the development of the Austrian economy, its coordination with the armament plan and Four Year Plan, and

* Otherwise referred to as "DAG Bratislava." See extracts from the minutes of the Commercial Committee meeting of 15 July 1938, immediately above.

the increase in cooperation with southeastern Europe have confronted the above plants with important tasks. For this purpose the existing plants, some of which are completely obsolete, require not only to be modernized and coordinated with the chemical industry of the Altreich, but also to be extended to a considerable degree. These tasks can only be carried through by exploiting the technical experience of the chemical industry of the Altreich, and of our firm in particular. For this purpose, moreover, big investments of capital are required; and the Austrian plants, mainly in consequence of the cut in prices effected in the meantime, cannot afford to make these from their own resources.

For these reasons we have submitted to the competent Austrian authorities the plans for the merger of the capital stock and organization of the above-mentioned plants belonging to the Austrian chemical industry.

* * * * * * *

We would be extremely grateful if you would make your decision as soon as possible.

Heil Hitler!

I. G. Farbenindustrie Aktiengesellschaft

[Signed] FRANK-FAHLE

[Signed] by proxy: KERSTEN

Enclosures

PARTIAL TRANSLATION OF DOCUMENT NI-9289
PROSECUTION EXHIBIT 1069

EXTRACTS FROM THE MINUTES OF THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 7 OCTOBER 1938, CONCERNING AUSTRIA

[The minutes show the following defendants as being present: Gattineau, Haefliger, Ilgner, Kuehne, Kugler, Schmitz, and von Schnitzler]

5. *Austria*

Dr. Ilgner reports on the acquisition of the Skoda-Wetzler shares and the conclusion of the agreement with the Austrian Ministry of Finance regarding Bluman. Both agreements still need the formal consent of the Reich Ministry of Finance after the consent of the Austrian Ministry of Finance has first been given in principle, and the final consent of the High Command of the Armed Forces (Army Ordnance Office) has definitely been received.

Furthermore, Dr. Ilgner reports on the discussions with Dr. Rafelsberger, State Commissar for Austrian Private Enterprise,

concerning the staffing of the Aufsichtsrat and Vorstand of the Donau-Chemie A.G.; the basic consent of the State Commissar makes it possible for us to arrange the staffing in a way conforming to our commercial interests.

Since the Commercial Committee has given its consent, and since as a result of a discussion between Dr. Kuehne and Dr. ter Meer the latter, too, has consented on behalf of the Technical Committee, the agreement of Geheimrat Schmitz has now to be obtained. In this connection, it seems expedient to combine the commission given at the meeting of the Vorstand on 17 June 1938 to Dr. Kuehne and Dr. Buetefisch (that is, the handling of technical problems in Austria), with the commission given to Dr. Ilgner, namely, the handling of general commercial problems in Austria and the southeastern European countries (Commercial Committee meeting on 24 May 1938 and 16 June 1938) in such a way that, in future, this body, with the assistance of the IG authorities concerned—particularly Dr. Kugler for questions of dyestuffs—will be responsible for all general problems in southeastern Europe that are of interest to the IG. Dr. Kuehne said that this also was agreed to by Dr. ter Meer on behalf of the technical side.

3. CONTEMPORANEOUS DOCUMENTS—CZECHOSLOVAKIA

PARTIAL TRANSLATION OF DOCUMENT NI-9289 PROSECUTION EXHIBIT 1069

EXTRACT FROM THE MINUTES OF THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 24 MAY 1938, CONCERNING THE CONFERENCE ON CZECHOSLOVAKIA IN BERLIN ON 17 MAY AND MEASURES TO BE TAKEN, PARTICULARLY WITH RESPECT TO AUSSIGER VEREIN*

11th Meeting of the Commercial Committee, 24 May 1938

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Ilgner, Gattineau, and Kugler]

* * * * * * *

11. *Hungary/Czechoslovakia*

Dr. Frank-Fahle [Secretary of the Commercial Committee] reports on the Czechoslovakia conference which took place on 17 May of this year. The minutes of this conference are handed

* Further minutes of Farben's Commercial Committee dealing with Czechoslovakia are reproduced later herein under the same document and exhibit number.

around to all present.[1] After this a discussion of the situation takes place and of the measures to be taken, in particular with respect to the Aussiger Verein.[2]

Agents for Hungary and Czechoslovakia will be decided upon later.

TRANSLATION OF DOCUMENT NI-3721
PROSECUTION EXHIBIT 1044

LETTER FROM DEFENDANT KUEHNE TO DEFENDANTS VON SCHNITZLER AND TER MEER, 23 SEPTEMBER 1938, CONCERNING FARBEN'S INTEREST IN THE AUSSIG PLANT OF THE PRAGER VEREIN

Dr. H. Kuehne — Leverkusen—IG Work,
Member of the Vorstand — 23 September 1938
I.G. Farbenindustrie Aktiengesellschaft

To Director Dr. ter Meer,
Director Dr. von Schnitzler — Frankfurt on the Main

Dear Sirs,

I learned from our telephone conversation this morning the pleasant news that you have succeeded in making the competent authorities appreciate our interest in Aussig and that you have already suggested commissars to the authorities—namely, Dr. Wurster and Kugler. I made a note of the fact that you were unable to discuss this operation with me in advance. I am in agreement with your choice of these gentlemen. I assume as a matter of course that the two gentlemen whom you nominated as commissars will maintain the closest contact with the commission appointed by us for the Aussig affairs. As you know, we have a series of agreements in both the sales and manufacturing spheres; I may remind you, for instance, of the agreements made in the spheres of titanium white and active charcoal, etc.

With kindest regards

Yours,
[Signed] KUEHNE

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[1] The minutes of the "Conference on Czechoslovakia," on 17 May 1938, Document NI-6221, Prosecution Exhibit 833, was one of the leading documents upon which the prosecution relied in attempting to establish knowledge of aggressive intent. It is reproduced, together with related testimony, in the following major subsection, "O. Knowledge of Aggressive Intent."

[2] The "Aussiger Verein" was a common name for the plants of the "Prager Verein," a Czech company, which were located in the so-called "Sudetenland" of Czechoslovakia. "Prager Verein," which appears later in the documents and testimony, was the abbreviated name for "Verein fuer Chemische und Metallurgische Produktion," a company with headquarters in Prague.

TRANSLATION OF DOCUMENT NI–4016
PROSECUTION EXHIBIT 1107

LETTER FROM THE VON HEYDEN FIRM TO THE REICH MINISTRY OF ECONOMICS, 10 OCTOBER 1938, CONCERNING THE CONFLICTING CLAIMS OF VON HEYDEN AND FARBEN TO THE PLANTS OF THE AUSSIGER VEREIN IN THE SUDETENLAND

CHEMISCHE FABRIK VON HEYDEN

Aktiengesellschaft

Directorate

Radebeul—Dresden
10 October 1938

To the Reich Ministry of Economics
for the attention of Ministerialdirigent Dr. Michel
Berlin

Subject: Association for Chemical and Metallurgical Production: [Verein fuer Chemische und Metallurgische Produktion] (Prager Verein) Aussig

On 6 October the undersigned had an opportunity to present personally the urgent desires of our firm concerning the Aussiger Verein. We should like to express our most sincere gratitude for this and in addition, request the Reich Ministry of Economics in writing to use its influence to have the Czech interests in the Aussiger Verein, in as far as they concern factories located in the Sudetenland, transferred to us, particularly those in Aussig and Falkenau (and, possibly, Neu-Oderberg also).

In future, the *Aussig plants* will directly overlap the geographical boundaries of our sales area; they will be obliged (owing to the loss of part of their present home markets and decrease of export trade) to sell a considerable part of their products in Saxony and eastern Germany. Thus they threaten *the existence of our firm and its staff, unless a way can be found to combine their management with ours.*

Since I.G. Farbenindustrie is primarily trying to obtain these interests we feel compelled to state that *the purchase by IG would, above all else, mean catastrophe for our enterprise.* Our firm is one of the few large works with extensive production schedules which is still completely independent of I.G. Farbenindustrie. We are constantly engaged in sharp competition with IG. The latter already controls the whole of western and southern Germany, dominates Central Germany, and from there is encroaching further and further on our natural markets in eastern Germany. IG is using every means to increase its sales there, too, and to make its customers permanently dependent upon it, a fact

which the customers themselves deeply deplore, as the Reich Ministry of Economics may already know. IG has become a mighty power in Germany and is striving for monopoly. It requires every chemical, technical, commercial, and financial effort to maintain some sort of competitive standard with, and to avoid being crushed by, IG. It would therefore be incomprehensible, should the power of this giant combine be strengthened still more by the incorporation of plants of the Aussiger Verein. Price agreements or similar arrangements avail nothing in this case; for experience has shown that they only serve to tie the hands of the smaller and weaker competitor in favor of a disproportionately strong contracting party who has numerous facilities for attracting and retaining the customer by other methods, in spite of agreements.

The same applies to other major enterprises of the German chemical industry should they acquire influence over Aussig plants, the more so, since almost all of them have some connection with IG, either personal or official.

On the other hand, the Chemische Fabrik von Heyden is the right firm to take over the plants of the Aussiger Verein. It already employs 5 officials who have detailed knowledge of the major part of the production of the Aussig plants, among them the undersigned Strubberg (former sales director for the Verein), and Dr. Pfunder, former directorate-consultant of the directorate-general for matters of a technical-chemical nature. The short distance between the plants easily admits of the establishment and maintenance of a permanent connection between the plants. The dyestuffs sector of the Aussiger Verein does not constitute an adequate reason for giving IG preference in obtaining the Czech interests of the Verein. Dyestuffs production at Aussig is not a vital necessity for the works: it was only commenced in order to make Czechoslovakia independent of Germany in the field of dyestuffs, too. As is known, this goal was never reached, and finally, the Verein and IG agreed to respect the boundaries to a certain degree, simply to avoid a further reduction of the price, if nothing more. The dyestuffs sales probably amount to approximately one-sixth of the total sales of Aussig and Falkenau. However, to our knowledge, only about 150–200 people are engaged on the production of dyestuffs and preliminary products at Aussig, that is to say, hardly 10 percent of the staff of the Aussig works.

We, for our part, do not intend to compete with IG in the field of dyestuffs. We are prepared rather, if the circumstances warrant, to come to an agreement with IG whereby its interests

in the field of dyestuffs, including the international field, will in no way be prejudiced.

We therefore urgently request you to prevent IG, or any other major chemical enterprise in Germany, from also gaining a foothold in eastern Germany, or taking possession of the Sudetenland plants of the Aussiger Verein, thereby dealing a very serious blow to our enterprise which is fighting for its very existence as an individual concern. We feel that we have shown that we can do full justice to our task as a part of the German chemical industry in any sphere of work, and that we have reason to state that our firm has made noteworthy advances, particularly in the past few years with regard to production techniques, and that it is also in the forefront as far as social policy is concerned. We, therefore, feel that we can guarantee to the government that the plants in the Sudetenland area would be in the best hands with us, that we shall bring them to full development, and that our sale of the products and service of the customers will safeguard *that* public spirit, which alone is of value in the present Reich.

We beg to leave it to you to decide whether it is necessary to consult the Economic Group Chemical Industry on the state of development of our firm and its fitness to take over the Aussig interests.

Heil Hitler!

Chemische Fabrik von Heyden, Aktiengesellschaft

Signed: DR. JUNGEL

Signed: STRUBBERG

PARTIAL TRANSLATION OF DOCUMENT NI-10402
PROSECUTION EXHIBIT 1108

EXTRACTS FROM A FILE MEMORANDUM, SIGNED BY REPRESENTATIVES OF THE VON HEYDEN FIRM, CONCERNING A CONFERENCE WITH FARBEN REPRESENTATIVES HELD ON 13 OCTOBER 1938, ON THE DISPOSITION OF CHEMICAL PLANTS IN THE "SUDETENLAND"

File Memorandum About a Conference Concerning the Aussiger Verein Held on 13 October 1938, 6 o'clock P.M. in Berlin, Hotel Adlon

Present: The gentlemen

Dr. von Schnitzler Dr. ter Meer Dr. Kuehne Haefliger Dr. Ilgner	from IG
Geheimrat Dr. Jungel Director Strubberg	firm von Heyden
as well as Director Zinsser	Dresdner Bank and von Heyden

Herr von Schnitzler stated in an introduction that IG had already concerned itself for several months with the problem of what was to happen when the Sudetenland, and with it the factories Aussig, Falkenau, and perhaps Hruschau, would come to Germany. A committee had been set up at IG which had thoroughly investigated the questions. It was determined that the enterprises mentioned manufactured no product in which IG was not interested. The field of dyes is the first consideration. At the suggestion of the IG, and in order to prevent, right at the beginning, any strangers from gaining an insight into the Aussig production program and the methods employed at Aussig, and especially into the field of dyes, director Kugler, a younger "Farben director," was appointed as commissar, and in addition Jos. Brunner, Falkenau, as technician and second commissar. The men from IG had known clearly right from the beginning that they would primarily have to come to an agreement with the firm von Heyden, because Heyden was, for neighborly reasons, also interested in the Aussiger Verein.

Dr. Jungel expressed his thanks for an opportunity to discuss the matter, and stated that in the spring of this year the firm von Heyden had already had discussions with the Army administration, which arose from the consideration that when the

Sudetenland would be under military occupation the Aussig enterprises would continue to be directed by experienced persons. These men were present at the firm von Heyden, since it employed several of these men who knew Aussig and Falkenau exactly. At the beginning of May these discussions then led to a written statement of the points of view, which was forwarded to the Economic Staff of the Army administration. In September the Military Economics Inspectorates IV then appointed those gentlemen, who were to enter Aussig right together with the Army. The firm von Heyden was obligated to strictest silence concerning these negotiations with the military administration. On 1 October, however, this order for silence no longer applied. Thereupon he (Dr. Jungel) and Director Strubberg got in touch with the Reich Ministry of Economics in order to assert the interests of the firm von Heyden in the acquisition of the Aussig plants. Both gentlemen were supposed to have emphasized here that, from the outset, the field of dyes would be administered in such a manner that the interests of IG would be protected to the fullest extent. The firm von Heyden did have in mind that otherwise it would have the decisive influence in the business as well as technical administration. Dr. Jungel gave as reasons for this the former conditions of the market outlets and the present ones, and the threat to vital market outlets of the firm von Heyden.

Herr von Schnitzler then suggested that the individual fields of production be reviewed, which was done. On the basis of these thorough discussions, which were particularly supported by Director Strubberg because of his special knowledge of the conditions, three fields were then picked out: namely, one sector, which contained products of no interest to Heyden, but which did interest IG; the second, where there existed a joint interest; and thirdly, where the Heyden interests were the primary ones.

Herr von Schnitzler then expressed his view that one very well could and must purchase, continue, and administer the Aussig enterprises jointly, namely in the form of a G.m.b.H. Dr. Jungel pointed out IG's position of power, and that even in a joint purchase and administration of the Aussig enterprises IG would carry the main weight, and that after several years the firm von Heyden might finally be pushed into a corner anyway. Herr von Schnitzler, however, did not believe that this was the case. IG absolutely has no intention of annexing any additional enterprises in Germany or to injure existing enterprises, such as the firm von Heyden. There certainly existed ways and means to reconcile these misgivings. He then stated that it would probably be best, if the Aussig plants would be acquired jointly according to a certain method, namely that the IG would lease

the dye field, including preliminary and intermediate products, and administer it as a leased enterprise, while the rest could be kept on a joint account; in which case one could also consider that the firm von Heyden could also rent and administer exclusively those branches of manufacture which appear to be especially vital for it. He pointed out that others were also interested, for example the Flick group in the valuable lignite coal fields in Bruex [Most] and Dux [Duchcov], also VIAG * in the large power station near Falkenau, and others; while the Deutsche Gold- und Silberscheide Anstalt A.G. [DEGUSSA] declared that it was not interested in Falkenau (Herr Haefliger stated), if only the marketing of those products (perborate and hydrogen peroxide) which interest DEGUSSA would be regulated. The main part of the Aussig and Falkenau production is bound by an agreement anyway, so that for that reason alone Heyden would not be injured. Thereupon Dr. Jungel declared that Herr von Schnitzler's suggestion was not diametrically opposed to the ideas of the firm von Heyden and could form the basis of a discussion.

* * * * * * *

Finally Dr. Ilgner stated, that Ministerialrat Dr. Muhlert at the Reich Ministry of Economics, who was vitally interested in the result of the negotiations, expected a call on the 14th of this month, informing him how far the negotiations had progressed. Dr. Ilgner would inform him that presumably an agreement by virtue of a common basis would be possible. Dr. von Schnitzler further asked Dr. Jungel to inform Ministerialrat Dr. Muhlert of this as representative of the firm von Heyden; Dr. Jungel agreed to do this.

Signed: Dr. Jungel
Signed: Strubberg

14 October 1938 C/T

* VIAG was the abbreviation for Vereinigte Industrie-Aktiengesellschaft, a Reich holding corporation for all government-owned industrial enterprises.

PARTIAL TRANSLATION OF DOCUMENT NI-10401
PROSECUTION EXHIBIT 1109

MEMORANDUM OF DEFENDANT HAEFLIGER, 15 OCTOBER 1938, CONCERNING THE ACQUISITION OF CHEMICAL PLANTS IN THE SUDETENLAND

I.G. Farbenindustrie Aktiengesellschaft, Frankfurt (Main) 20
Director of the Chemical Department

Frankfurt/Main, 15 October 1938

Memorandum of the Negotiations with the Chemical Factory Chemische Fabrik von Heyden A.G., Dresden, on 13 October 1938, 18 o'clock, at the Hotel Adlon, Berlin

Present:	Privy Councillor [Geheimrat] Jungel Director Strubberg Zinser	v. Heyden
	Dr. von Schnitzler Dr. ter Meer Dr. Kuehne Haefliger Dr. Ilgner	IG

Confidential Preliminary Conference

During a preliminary conference among ourselves, which toward the end was also attended by Dr. Buergin, the fact that Heyden cannot be pushed aside in the acquisition of Aussig was established once more.

Besides Heyden, there appear other applicants about whom nothing concrete is known. It is suspected that Rosterg (Wintershall) and Ruetgers are interested. In regard to the Deutsche Gold- und Silberscheideanstalt I was able to make the calming announcement that they are not interested in Aussig, according to a remark by Mr. Schlosser whom I met by accident on my trip to England. The Scheideanstalt expects, however, that in case the IG should acquire Aussig, an understanding will be arrived at in all points relating to the Scheideanstalt .

There is agreement that the danger of an intervention by a third party will be lessened, if not eliminated, if Heyden and IG form a group for the acquisition of Aussig.

* * * * * * *

Main Conference

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The Reich Ministry of Economics (Muhlert), which appeared very interested in the outcome of this discussion will, on common agreement, be informed on Monday that a friendly conference took place and that both parties' opinions about a common enterprise had been modified and come much nearer to an agreement, and that another conference would take place on Wednesday. We hope that as a result of this information the Reich Ministry of Economics will be in a position to keep away, if not with finality, then for the present, other interested parties.

The conference closed at 8 o'clock. Afterwards we had supper together. It was rather inspiring. Remarks during the meal seem to reveal that Gauleiter Mutschmann's support of von Heyden's claims is probably a purely *ex officio* matter.

At 10 o'clock the gentlemen from Dresden took leave to catch their train.

Confidential Final Conference

After the gentlemen from Dresden had left we continued the conference among ourselves; we agreed immediately to propose a 50-50 partnership in the production firm, with the field of dyestuffs falling to the IG. We should claim the technical management for ourselves and leave the business management to Heyden.

* * * * * * *

I suggest to consider whether it would not be better tactics to send Heyden alone ahead to the purchase negotiations in Prague with, of course, standing instructions from us, since I can imagine that in this way we will acquire the object cheaper than if the IG itself appeared. Dr. Ilgner picks that idea up at once. It must furthermore be remembered that Prague maintains claims for the settlement of all other interests in the rest of Czechoslovakia. This is undesirable at the present. Should the negotiations carried on by Heyden in Prague not take the turn we desire, there will still be time to intervene.*

[Signed] HAEFLIGER

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* On 7 November 1938 an agreement was signed between representatives of Farben, the von Heyden firm, the Dresdner Bank, and the Aussiger Verein (Verein fuer Chemische und Metallurgische Produktion), which among other things stated that "A company to be founded by the German group in Aussig shall acquire from the Aussiger Verein the Aussig and Falkenau works, including the coal and power belonging thereto" (NI-10581, Pros. Ex. 1113). The actual contract of sale was executed in Berlin on 7 December 1938 (NI-1139, Pros. Ex. 1116). These documents are not reproduced herein.

PARTIAL TRANSLATION OF DOCUMENT NI-9289
PROSECUTION EXHIBIT 1069

EXTRACTS FROM THE MINUTES OF MEETINGS OF FARBEN'S COMMERCIAL COMMITTEE, NOVEMBER 1938 TO APRIL 1943, CONCERNING DEVELOPMENTS IN CZECHOSLOVAKIA AND SOUTHEAST EUROPE

16th Meeting of the Commercial Committee, 11 November 1938

[The minutes show the following defendants as being present: von Schnitzler, Haefliger, Ilgner, Mann, Oster, and Gattineau]

1. *Czechoslovakia*

Measures and agreements with regard to Aussig-Falkenau are discussed. With regard to further proceedings concerning calcium cyanamide products (Falkenau), pharmaceutical products (Heyden), and the form of the relationship with Solvay, an agreement is also reached. The Sales Combines Dyestuffs and Chemicals as well as the Central Finance Administration, are commissioned to work out the drafts for the agreements (purchase contract, foundation contract of the new company, and syndicate agreement with Heyden).

2. *Committee for Southeastern Europe*

The Commercial Committee agrees to the following resolutions of the Committee for Southeastern Europe:

(1) The 51 percent share of the DAG Troisdorf in the DAG Pressburg is to be transferred to the Donau-Chemie A.G.

(2) The business management of the DAG Pressburg will be changed; Dr. Carl Meyer will join the management, and the three Jewish members of the management will resign.

(3) In agreement with Budapest, the following are to be newly elected to the Verwaltungsrat:

Dr. Kuehne
Dr. Ilgner
Professor Dr. Lautenschlaeger

The Jewish members of the Verwaltungsrat are to resign.

* * * * * * *

17th Meeting of the Commercial Committee, 15 December 1938

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Ilgner, Mann, and Oster]

2. *Southeastern Europe Committee*

Dr. von Schnitzler reports on the state of the Aussig affair, which has gone on developing according to program. The question of the appointment of personnel for the future management of the Chemische Werke Aussig-Falkenau G.m.b.H. is still to be

clarified. It is noted that the Reich Ministry of Economics, in connection with the transfer of the purchase price, may possibly ask for a payment to the Equalization Fund, for which payment an amount of 3 million reichsmarks has already been mentioned.

Dr. Oster explains why calcium cyanamide and everything connected with it must be excluded from the settlement.

The wishes expressed by Heyden on the subject of pharmaceutics are to be the subject of a discussion on the occasion of a luncheon with Herr Mann.

18th Meeting of the Commercial Committee, 11 January 1939

[The minutes show the following defendants as being present: von Schnitzler, Haefliger, and Mann]

1. *Southeastern Europe—State of Aussig-Falkenau Affair*

Dr. von Schnitzler reports on the negotiations with the Chemische Werke Aussig-Falkenau G.m.b.H., and in particular with the Chemische Fabrik von Heyden A.G., and also on the additions to the syndicate agreement concluded on 30 November 1938 with this firm.

19th Meeting of the Commercial Committee, 17 February 1939

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, and Oster]

1. *Aussig-Falkenau*

a. Syndicate Agreement with the Chemische Fabrik von Heyden A.G., Dresden-Radebeul

Dr. von Schnitzler reports on the reproaches which the Chemische Fabrik von Heyden A.G. has levelled at Pharma in the affair of the importation of acetyl-salicylic acid into Poland and on the steps which Leverkusen intends to take in the matter, and which the Commercial Committee approves.

With respect to the additions to the syndicate agreement confirmed by IG in its letter dated 10 January 1939, Heyden on its part has confirmed the agreement in a way which is partly unsatisfactory and partly—in the Oderberger Chemische Werke affair—exaggerated. As at the discussion on 10 February 1939, this matter could not be handled any further. Heyden is now to be asked by letter to confirm the agreement in a way which corresponds to our wishes.

b. Authorization for Purchase Agreement

The Reich Ministry of Economics has advised us that the approval of the purchase contract is at present being held up only by the attitude taken by the Administrator [Generalreferent] for the Sudeten territory who feels that the output of the coal pits that were part of the property acquired by Chemische Werke

Aussig-Falkenau exceeds the needs of the two plants. In order to hasten the granting of the authorization, the Chemische Werke —subject to the approval of Heyden—will express their agreement to the authorization, making a reservation on one point; namely, that after examination by the Reich Ministry of Economics, they be told to which third parties the coal which is in excess of the needs of the plant can be ceded.

20th Meeting of the Commercial Committee, 10 March 1939

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Gajewski, Haefliger, and Oster]

4. *Aussig-Falkenau*

Dr. von Schnitzler reports on the permission for acquisition which has been granted in the meantime by a letter, dated 24 February 1939, from the Reich Ministry of Economics (RWM); he further reports in connection with this on developments regarding the appointment of plant and business managers.

Dr. Krueger reports on the financing of the new company. The amount of compensation to be paid to the Dresdner Bank is approved. It is agreed that it would not seem expedient on the part of Farben to complain about the equalization payment of 3 million reichsmarks imposed by the Reich Ministry of Economics upon the purchasers of Aussig-Falkenau. Dr. von Schnitzler agrees to discuss this matter with Geheimrat Jungel.

21st Meeting of the Commercial Committee, 21 April 1939

[The minutes show the following defendants as being present: von Schnitzler, Haefliger, Mann, Oster, and Kugler]

2. *Aussig-Falkenau*

3. *Protectorate of Bohemia-Moravia*

Dr. Kugler reports on the situation of the Chemische Werke Aussig-Falkenau G.m.b.H., after which there is a discussion of the change in the situation caused by the taking over of the Protectorate.

Dr. von Schnitzler discusses the relationship with the Prager Verein, and advises that the discussions with the management of the Prager Verein, which had been postponed, will shortly be resumed. There is agreement as to the lines along which the negotiations with and concerning the Prager Verein should be conducted.

4. *Slovakia*

Dr. Fischer submits a detailed report on the political, economic, and administrative situation in Slovakia. He points out that the present moment would be favorable for obtaining special agree-

ments with the newly formed Slovakian Government. The wishes of the individual Farben departments are to be directed to the Political-Economic Policy Department, Berlin NW 7. There is discussion about the possibility of IG's being represented in Slovakia, and Herr Mann advises that the question of opening a new Pharma office in Slovakia is under study at the present time.

Dr. Fischer reports on the negotiations with the Société Francaise des Industries et des Petroles, Paris (Wenger Group), concerning the acquisition of the Slovakian Refinery Apollo. The refinery in question is a modern one with a capacity for handling approximately 6,000 tons per month. It is intended that the DAG Pressburg should acquire a majority participation in this refinery.

22d Meeting of the Commercial Committee, 12 May 1939

[The minutes show the following defendants as being present: von Schnitzler, Haefliger, Mann, Oster, and von der Heyde (intermittently)]

8. *Southeast European Questions*

Dr. von Schnitzler reports on the conferences with the directors of the Prager Verein, which took place on 27 and 28 April in Berlin. Furthermore he reports on the conferences with the Reich Ministry of Economics and the Economic Group Chemical Industry with respect to the activity of the Prager Verein in the chemical field in the Protectorate and in Slovakia. Dr. Frank-Fahle reports that authorization has been granted for the exchange of stock of the Prager Verein—as far as it is a question of Sudetenland assets—for IG stock or shares in the Chemische Fabrik von Heyden A.G.

23d Meeting of the Commercial Committee, 16 June 1939

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Mann, Oster, Gattineau, and Kugler]

4. *Southeast European Questions / Cellulose projects in the Protectorate and in Slovakia*

a. Protectorate and Slovakia

Dr. von Schnitzler gives a survey of the present conditions in Aussig-Falkenau and of our relations to the Prager Verein. Dr. Kugler and Dr. Gattineau report on the plan for the joint erection by DAG Pressburg and the Prager Verein of a cellulose factory in Pressburg, and further states that by passing on our experience to them, we are participating in a plant which was erected by the Prager Verein in the Protectorate. As the Pressburg plan seems favorable to us, both geographically and in other respects, and as all things considered, both plans are judged to be of posi-

tive value, it is decided to continue negotiations with the Prager Verein.

The plan of 15 June 1939, which was worked out with Dr. Gajewski for submission to the Prager Verein, is read and approved. Before negotiations are continued with the Prager Verein this plan is to be shown to Dr. Kehrl. Cooperation with the Prager Verein in other parts of Southeastern Europe is discussed and is to be kept in mind.

29th Meeting of the Commercial Committee, 1 February 1940

[The minutes show the following defendants as being present: von Schnitzler, Ilgner, Mann, and Kugler]

3. *Economic Incorporation of the Protectorate into the Reich*

With reference to this subject, Dr. Kugler makes a few statements as to the repercussions on sales conditions which led to agreements between the economic circles and enterprises involved for the protection of territory. With regard to the Verein, it is considered that in view of the various special agreements which have already been concluded, the situation has been practically settled. With respect to the field of hydrosulfites Dr. Kugler has made a new agreement, and a similar one is planned for titanium white.

35th Meeting of the Commercial Committee, 20 August 1940

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, von Knieriem, ter Meer, Mann, Ilgner, von der Heyde (intermittently), and Kugler]

7. *Southeastern Questions*

a. Chemische Werke Aussig-Falkenau G.m.b.H.

Dr. von Schnitzler reports on the monetary requirements and the consequent measures of financial support necessary for Aussig-Falkenau, and gives information as to an exchange of correspondence with the Chemische Fabrik von Heyden A.G. He himself, Dr. Buhl, and Dr. Ilgner will continue negotiations with Heyden regarding the financing question in the second half of September. Dr. Ilgner reports on the Prager Verein in connection with the status of the Protectorate. His suggestions regarding the possibility of a community of interests [Interessengemeinschaft] are to be worked out in greater detail.

37th Meeting of the Commercial Committee, 12 November 1940

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, von Knieriem, ter Meer, Haefliger, Ilgner, Kuehne, Mann, Oster, von der Heyde (intermittently), and Kugler]

5. *Southeastern Europe*

a. Prager Verein

Dr. von Schnitzler reports on the present stage reached in the problem of the Prager Verein. At the conference which is planned for the 15/16 November in Prague with Vice President Dvoracek and Generaldirektor Dr. Martinik, in which the group IG/Heyden will be represented by Dr. von Schnitzler, Dr. Ilgner, and Director Zinsser, the Zivno and the Verein will have to be shown that the dyestuffs question and that of the participation of the Verein in the chemical factories of southeastern Europe make it absolutely necessary that there should be a modification of their relationship to the German group—which Ruetgers may subsequently join—and besides this, that in the other branches of manufacture of the Verein and its participations in the Protectorate, there are so many points of contact today, both in the territory of the Greater German Reich as well as in exportation to a certain extent, that it is necessarily and comprehensibly in the interests of the Verein and its future development that there should be an understanding with the German group. It remains to be seen now whether, already in the course of the conference of 15/16 November, the questions of a financial participation in the Verein can be broached again.

Apart from this there is also complete understanding with Heyden on the point of IG's interests being undisputed in the dyestuffs field; furthermore, if necessary, Heyden would agree to the taking over of the Slovakian plants and participations or to the acquisition of the majority by Pressburg, likewise to the taking over by IG or Pressburg of the majority in Marasesti, Zorka, and Hungaria, on the condition that Heyden's interests be preserved in the pharmaceutical field within the framework of a syndicate agreement. Ruetgers' interest seems chiefly to incline to Hruschau. The demand made by Kali-Chemie for a transfer to be made to it of the 50 percent participation in the electrolysis [plant] in Bitterfeld, now in the hands of the Verein, is considered as justified and is to be noted for further handling at a convenient moment.

38th Meeting of the Commercial Committee, 10 December 1940

[The minutes show the following defendants as being present: von Schnitzler, von Knieriem, Haefliger, Ilgner, Mann, Gattineau, and Kugler]

5. *Prager Verein*

Dr. von Schnitzler refers to the record of 27 November 1940, received by the members of the Commercial Committee, of his and Dr. Ilgner's discussions in Prague on 15 and 16 November 1940. On the 18th inst. there is to be a preliminary discussion

with the representatives of von Heyden and Ruetgers. In January 1941 a conference is planned in Frankfurt a/M. between the Verein and IG for an initial discussion of the dyestuffs problem as one of the main problems of the industrial cooperation which is aimed at. Herr Mann points out that at the present time there is no question of cooperation in the pharmaceutical field.

39th Meeting of the Commercial Committee, 4 February 1941

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Gajewski, von Knieriem, ter Meer, Haefliger, Ilgner, Mann, Oster, von der Heyde (intermittently), and Kugler]

5. *Oesterreichische Magnesit-A.G.* [*OEMAG*]

An agreement was concluded in October 1940 with the Oesterreichische Magnesit-Aktiengesellschaft concerning a joint utilization of experience as regards the production of magnesium through the thermal reduction of raw materials containing magnesium oxide.

The entire stock capital of OEMAG is in American hands. In consideration of the fact that these assets could be transferred to other foreign ownership, thereby endangering our agreement, the Commercial Committee (KA) is in favor of participation in the acquisition of the stock capital at a suitable price.

6. *Prager Verein*

Dr. von Schnitzler reports on the negotiations carried through with the Prager Verein, chiefly in the dyestuffs field, which have led to an 8-year agreement on the following basis: The Verein receives a dyestuffs production quota with a sales value of 2,500,000 reichmarks per year. The manufacturing activities of the Verein throughout the duration of the agreement are limited to sulfur black, sulfur dyes, and azo dyes. Of the production quota an amount to the value of some two million reichsmarks is to be sold in the Protectorate and in Slovakia. The remainder of the export quota will be provided for through a transfer of goods to the IG plants. By means of a special agreement, it can be arranged for goods of the Prager Verein to be directed into the sales channels of the IG in southeastern Europe. In the field of chemicals negotiations are still going on.

11. *Southeastern Europe*

Dr. Ilgner reports on the meetings of the Southeastern Europe Committee of 14 December 1940 and of the 3d instant, especially on the increase of capital in Donauchemie from 12 to 20 million reichsmark, on the future position of Donauchemie as regards the southeastern business policy of the IG, his (Dr. Ilgner's) observations in Bulgaria with respect to the possibilities of set-

ting up a plant for sulfuric acid, the recommendation of the Southeastern Europe Committee as regards the acquisition of a share in the Sonametan, the problem of "La Dalmatienne" in Yugoslavia, the consent of the SOA [Suedosteuropa-Ausschuss (Southeastern Europe Committee)] to carry out tests on oil shale in Yugoslavia together with Stinnes, as well as the agreement of the Italian industry to the setting up of a factory for rayon in Jajce. The SOA has decided that in future there shall be regular reports made on the meetings of the SOA through Dr. Kuehne in the Vorstand and Dr. Ilgner in the Commercial Committee.

40th Meeting of the Commercial Committee, 18 March 1941

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Ilgner, Mann, Oster, and Kugler]

8. *Prager Verein*

The negotiations with the Prager Verein in the dyestuffs field have been brought to a formal conclusion in the meantime on the basis already outlined in the record of the meeting of 4 February 1941 under item 6. In the final negotiations the production quota was definitely fixed at 2,650,000 reichsmarks per year. The situation in the chemicals field was discussed at the meeting of the Aufsichtsrat on the 5th instant, and special consideration was given to the relationship of the Verein to the Chemische Werke Aussig-Falkenau. We shall now have to wait for the result of the negotiations which the business management of the Chemische Werke is to take up with the Prager Verein.

With respect to the Prager Verein in the field of pharmaceutics, no new points have arisen for consideration. In the meantime, Herr Mann plans to have an informal talk with Dr. Martinek some time about pharmaceutics.

Dr. Ilgner reports on his conversation with Herr Ernest Solvay regarding the participations of the Verein and the Solvay group in the Hungaria, Zorka, and Marasesti. Apart from the clarification achieved in the question of conditions of participation, the chief subject discussed was the suggestion which was approved by Solvay, that no new manufactures should be started in the three plants, and that no participations should be acquired or any other fundamental changes made without Solvay, the Prager Verein, and IG being informed. This measure is to make sure that the industrial cooperation which is aimed at in the southeast shall not be prejudiced through the independent action of any one of the southeastern factories.

41st Meeting of the Commercial Committee, 23 April 1941

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, von Knieriem, Ilgner, Mann, Oster, von der Heyde (intermittently), and Kugler]

11. *Miscellaneous*

b. College for World Commerce, Vienna

The Technological Institute which forms part of this college is exhibiting a very comprehensive collection of products from different industrial plants; amongst others, from Krupp and Montecatini. At the suggestion of Dr. Gajewski and on the advice of the office of the Propaganda Commission in Frankfurt a/Main it is decided to give the college the famous IG glass cases, the cost of which will amount to 7,000 reichsmarks. The latter proposal, submitted by Dr. Ilgner, is accepted.

42d Meeting of the Commercial Committee, 8 July 1941

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Mann, Oster, von der Heyde (intermittently), and Kugler]

7. *Southeastern Europe*

a. The discussion of problems connected with salaries and wages at Donauchemie gives rise to the decision that questions concerning personnel and salaries which are under discussion in the different commercial committees may be decided only after previous agreement and preliminary study with and in the competent personnel departments of the Sales Combines.

In this connection Dr. Kugler reports on a decision of the Reich Labor Trustee for the Economic Area Vienna-Lower-Danube, dated 4th instant.

b. Protectorate—The relationship to the Prager Verein is discussed in detail. Dr. Kugler reports on his conferences in Prague.

44th Meeting of the Commercial Committee, 4 November 1941

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Ilgner, Mann, Oster, and Kugler]

6. *Southeast Europe/SOA* [*Suedosteuropa-Ausschuss (Southeast Europe Committee)*] *meeting on 24 October 1941*

Part 1—Ilgner will report on Southeast Europe in the course of the special discussion of the Sales Combine leaders on 6 November. Ilgner's proposal for discussions with Herr Adolf of the Prager Verein on problems common to both enterprises, is approved. The discussions are planned for 12 to 14 November. Apart from Dr. Ilgner, Messrs. Otto, Haefliger, Kugler and von Heider will attend.

45th Meeting of the Commercial Committee, 7 January 1942

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Ilgner, von der Heyde (intermittently), and Kugler]

7. *Southeastern Europe*

a. Prager Verein

Herr Adolf, the new Director General of the Prager Verein, having again expressed the wish to meet the leaders of IG, the members of the "select circle" of the SOA will get in touch with Herr Adolf at a lunch, as was decided at the 44th Meeting of the Commercial Committee and in the agreement made in the meantime in Pressburg on 18 December 1941, so that they may become acquainted with the immediate intentions of the Prager Verein. The impression obtained at this conference is to be recorded in the exposé which is already being prepared for the next-but-one Vorstand meeting on the southeastern business policy of the IG.

In spite of the above conference, plans can be made to advise the Prager Verein to maintain permanent contact on southeastern questions with Dynamit Pressburg, just as is being done with Aussig-Falkenau for the Protectorate in questions in the chemical field without encroaching thereby upon any other necessary direct conferences with the IG agencies concerned; the latter will continue to be conducted separately as before.

* * * * * * *

c. Slovakia

Industrial conferences with the leaders of Slovakia will take place on 5 and 6 February in Pressburg, and as in the case of the Rumanian conferences, material has already been requested from the Sales Combines through the WIPO.

* * * * * * *

46th Meeting of the Commercial Committee, 16 February 1942

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, Haefliger, Ilgner, Mann, Oster, von der Heyde (intermittently), and Kugler]

11. *Southeastern Europe*

a. SOA Meeting on 4 February 1942

Dr. Ilgner reports on the two items on the agenda which are dealt with at this meeting:

1. The future business policy of the IG in Southeastern Europe.
2. Future relationship of the IG to the Prager Verein.

The Commercial Committee takes note of the arguments and approves. Furthermore, Dr. Ilgner reports on the conferences or provisional agreements which have taken place in the mean-

time between Dr. Gajewski, Dr. Gattineau, and Meyer, and Messrs. Adolf and Kuhn of the Prager Verein. As suggested by Dr. Gajewski and already confirmed by the previous decisions of the Commercial Committee, there is to be a discussion between a small number of leaders of the IG and Herr Adolf of the Prager Verein. It is stated as a matter of principle that appearances indicate the expediency of IG's establishing direct contact of such a kind independent of the conferences which are already under way between Pressburg/Prague or Aussig-Falkenau/Prague.

49th Meeting of the Commercial Committee, 8 July 1942

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, von Knieriem, Haefliger, Ilgner, Mann, and Kugler]

10. *Southeastern Europe*

First paragraph—Dr. von Schnitzler and Dr. Kugler report on the conference with the Prager Verein which took place in Frankfurt/Main on 3 July 1942. The record of this conference is submitted to the members of the Commercial Committee for their information. The agreement with the Prager Verein based on this conference still requires the consent of the SOA and of the administration of the DAG, Pressburg. With respect to the last paragraph of item 1 (of enclosure 1) of the interoffice memorandum dated 3 July (Bulgaria), it is added that in the event of a realization of the Bulgarian plan vis-à-vis the Verein, a minority participation is to be requested for Pressburg.

With respect to Greece, Herr Adolf learned at the conference on 3 July that we are carrying on negotiations for a possible subsequent participation in the Lipasmata and Oekonomides.

50th Meeting of the Commercial Committee, 9 September 1942

[The minutes show the following defendants as being present: Schmitz, von Schnitzler, von Knieriem, ter Meer, Haefliger, Ilgner, Mann, Oster, and Kugler]

10. *Southeastern Europe*

Herr Otto reports that the cellulose plant in Pressburg will be put in operation on 1 October.

Herr Weber-Andreae requests that when cooperating with official agencies, the latter should be urged to see that, in the negotiations conducted by government committees abroad, as much caution as possible be exercised in promising products which are scarce, especially to individual purchasers.

54th Meeting of the Commercial Committee, 14 April 1943

[The minutes show the following defendants as being present: von Schnitzler, Haefliger, Ilgner, Mann, Oster, and Kugler]

5. *Southeastern Europe*

a. Relationship with Prager Verein

Those questions which have remained open in the relationship between IG Pressburg and the Prager Verein, especially the formulation of agreements according to regions on the basis of the Frankfurt agreement of 3 July 1942, were discussed at the Prague conference of 22 February 1943, and settled. The records of the meeting have been distributed in the meantime.

Following the meeting of 22 February 1943 there was an exchange of correspondence between Generaldirektor Dr. Paul Mueller and Dr. von Schnitzler dealing with the question of whether and to what extent the field of explosives is comprised in the agreements made between IG Pressburg and the Prager Verein, or whether this too seems to require special handling. In a letter addressed directly to Dr. von Schnitzler, Dr. Mueller expresses himself in agreement with the contents of the letter he received, dated 31 March of this year, and the attitude expressed therein will be approved at today's meeting of the Commercial Committee. According to this, the state of the affair as a whole is to be judged as follows: namely, that the field of explosives was not discussed during previous negotiations with the Prager Verein, since any activity of the Verein in the explosives field has always been considered out of the question, and no aims of the Verein to undertake any activity in the explosives field were ever recognizable. As, in addition to this, Dr. Srba, at the Prague meeting on 22 February 1943, when there was a brief mention of explosives, declared that the Verein had no intentions whatsoever regarding manufacture in this field, and that, moreover, his participation in the Explosia had recently been rejected, there is no reason to bring up the explosives field for discussion again with respect to the Verein after the basic discussion on 3 July 1942 and the Prague conversation of 22 February 1943. Should the Prager Verein show intentions at some later date (whether in Bohemia/Moravia, Slovakia, or in the countries of Southeastern Europe, that is, as defined in the skeleton agreement of 3 July 1942, the countries of Croatia, Serbia, Rumania, Hungary, and Bulgaria) of undertaking any activity in the explosives field, an entirely new situation would be created and corresponding negotiations would have to be opened with the Prager Verein based on reference to the integrity of IG Pressburg's interests in the explosives field, which she claimed

right from the beginning, as well as to the spirit of the existing agreements in the chemicals field.

Dr. Ilgner agrees to inform the other German members of the Pressburg Verwaltungsrat, as well as the members of the Pressburg managing board, of the records which are being kept of today's discussion; and undertakes to have a letter sent to IG in concurrence with Dr. Paul Mueller of Pressburg, in which Pressburg approves this view of affairs in the explosives field; and after such clarification of the point in question, declares that the minutes of 22 February 1943 are binding on Pressburg as well. This settlement obviates the necessity for Pressburg's signature to the aforementioned record or the preparation of a new record on its point 1.

Furthermore, a letter from Dr. Adolf to Dr. von Schnitzler dated 23 March 1943 is discussed. Dr. von Schnitzler will confirm the receipt of this letter without entering into the details of the general statements in the attached correspondence between Director Schaeffler and Director Ruperti of the Guano-Werke, and will merely ask Dr. Adolf for his immediate reactions to the concrete case of Bulgaria (Item 1b, paragraph 2 of the minutes of 22 February 1943).

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4. CONTEMPORANEOUS DOCUMENTS—"NEW ORDER" PLANNING IN 1940

TRANSLATION OF DOCUMENT NI-6842
PROSECUTION EXHIBIT 1048

INTERNAL FARBEN MEMORANDUM, 19 JUNE 1940, CONCERNING THE PREPARATIONS FOR A REORGANIZATION OF ECONOMIC RELATIONS IN POSTWAR EUROPE

Management Division, Dyestuffs

Strictly confidential Frankfurt/Main, 19 June 1940

Memorandum for the files

Preparations for the Reorganization of Economic Relations in Postwar Europe

The deputy chief of the Supervisory Office Chemistry [Pruefungsstelle Chemie], Mr. Born, gave the undersigned the following confidential information:

Ministerialdirektor Schlotterer was nominated Generalreferent for Demobilization in the Reich Ministry of Economies. Ambassador Ritter was entrusted with the same task by the Foreign

Office. The Supervisory Office Chemistry was commissioned by Mr. Schlotterer to submit to him as soon as possible a survey of the chemical industry in the following countries: France, Switzerland, England, Holland, Belgium, Denmark, Norway.

Special attention was to be paid to the cartel relations, the degree to which German firms participate in them, and the extent to which they have developed without German participation.

Mr. Born asked for a condensed report on the three-party and four-party cartel and its relations with other European dyestuff producers, to be sent to him for the Sparte Dyestuffs.

If Farben had any special suggestions to make with regard to the lines on which the manufacture of dyestuffs was to be organized in future in the countries in question, it would be useful if they would bring them forward on this occasion. (It was stated in confidence that Herr U.* remarked during the conference with Herr B. [Born] that European dyestuffs production after the war would probably be under the management of Farben).

At Mr. Born's request, Director von Heider [Farben official] for the chemical sector, was notified to this effect. Following the discussion with Mr. Born, Mr. Henco asked the undersigned to have a talk with him; and discussed in particular detail relations with the Swiss dyestuffs industry. The undersigned informed Mr. Henco of the present situation, namely, that Switzerland had discontinued its sales to certain eastern and southeastern European countries with which it had no clearing agreement, or with which the Swiss clearing functioned badly; that it had, however, maintained its deliveries in full to the important markets of France, England, and U.S.A. through local production places, and had been enabled by its large stocks of supplies to do business on at least the same scale as hitherto in all other countries—that is, where it had not taken over part of our business in the countries with which Germany ceased to deal on account of the war. In regard to our future policy towards IG Basel, the undersigned stated that this would depend very largely on the attitude to be adopted towards Switzerland by the Reich with regard to economic policy generally.

[Signed] KUFUSS

* Claus Ungewitter, business manager of the Economic Group Chemical Industry and Chief of the Supervisory Office Chemistry.

TRANSLATION OF DOCUMENT NI–4897
PROSECUTION EXHIBIT 1049

LETTER FROM DEFENDANT VON SCHNITZLER TO DEFENDANTS TER MEER AND VON KNIERIEM, AND OTHERS, 24 JUNE 1940, NOTING THAT THE NEXT MEETING OF FARBEN'S COMMERCIAL COMMITTEE WILL DISCUSS ECONOMIC POLICY IN VIEW OF THE RAPID DEVELOPMENTS OF THE WAR IN THE WEST

Dr. Georg von Schnitzler

Frankfurt on Main, 24 June 1940

To the members of the Commercial Committee:

Director Dr. ter Meer	Frankfurt on Main, 20
Director Dr. von Knieriem	Ludwigshafen on Rhine
Ministerialrat a.D. [retired] Dr. Buhl	Frankfurt on Main, 20
Director Dr. Anderhub	Wiesbaden-Biebrich
Director Bachmann	Knapsack near Cologne

Gentlemen!

On the 21st of this month, the office of the Commercial Committe sent out invitations for the next meeting of the Commercial Committee on 28 and 29 June this year in Frankfurt on Main. I include a copy of the invitation for those gentlemen who, although not members of the Commercial Committee, are herewith cordially invited to be present also on 28 June. The main topic of our conference, described under No. 1 of the agenda as "Report on Economic Policy" [Wirtschaftspolitischer Bericht], is the discussion of the problems of economic policy that were made pertinent through the speedy development of the war in the West. A specific inquiry has been received from the Reich Government, requesting that in the shortest possible time a program be developed *outlining a system to be established by, and based on, the impending peace treaty, and covering the entire European interests in the field of chemistry.* The problem is being considered not only in regard to the relationship with the countries still at war with Germany, but also in regard to those countries which are allied with Germany, or which are still neutral. The inquiry deals therefore definitely not only with the future treatment of England and France, but to an equal extent with the southeastern area and with Italy.

The above-mentioned gentlemen, ter Meer, von Knieriem, and Buhl, have already agreed to participate in the conference. May I ask also, in the name of Geheimrat Schmitz, Drs. Anderhub and Bachmann to be present.

I also request the heads of the other Sales Combines, except

dyes and chemicals, to inform their technical assistants of the date, to leave it up to them whether they wish to consider attending the conference.

Heil Hitler!
[Signed] G. v. SCHNITZLER

PARTIAL TRANSLATION OF DOCUMENT NI–6293 PROSECUTION EXHIBIT 818

EXTRACTS FROM THE MINUTES OF THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE, 29 JUNE 1940, CONCERNING THE "POLITICAL REORGANIZATION WHICH IS TO BE EXPECTED" AND ITS "EFFECTS ON INDUSTRY AND INDUSTRIAL POLICY"

Minutes on the 33d Meeting of the Commercial Committee on Friday, 28 June 1940 at 10 A.M., and on Saturday, 29 June 1940 at 9:30 A.M., in Frankfurt/Main, Grueneburgplatz

The following were present:
Von Schnitzler, Chairman
Anderhub, Borgwardt, Buhl, Eckert, Fischer (Fritz), Frank-Fahle, Gattineau, Haefliger, Hanser, Heider, Horstmann, Ilgner, Kuepper, Koehler, von Knieriem, Krueger, Kugler, Lore, Mann, ter Meer, Mueller, Oster, Otto, Terhaar, Waibel, Weber-Andreae, Weiss

1. *Economic Policy Report*

Dr. von Schnitzler gave a brief survey of the main reasons for calling the meeting on a larger scale, and showed why it was necessary to have an immediate discussion of the effects on industry and industrial policy of the political reorganization which is to be expected.

After Dr. Krueger had made a report on the meeting which took place on 19 June 1940 in the Reich Group Industry [Reichsgruppe Industrie] * in connection with these questions, and Dr. Terhaar had made a survey on the economic-political situation and the organizational preparations connected with it, it was decided after a detailed discussion to investigate the following circumstances:

I. *Establishing economic losses*

1. The direct losses which the legal predecessors of the IG and its Konzerns suffered through the Treaty of Versailles:

a. In France and her colonies.

* See Document NI–6842, Prosecution Exhibit 1048, reproduced above as the last document but one.

b. In England and in the Empire.

c. In the rest of the world.

Branch factories and Sales Combines which were sequestrated count in particular as direct losses, also, confiscated warehouses, seized outstanding debts, claims, bank credits, securities, etc., goods transmitted which went astray during the World War or were destroyed, losses of personal property, and losses through the confiscation of patents and trademarks. (The last item refers only to those sums which can be specifically evaluated, as, for example, the amount at which a patent was auctioned by court order to the credit of an Allied power.)

Frankfurt was charged with the preparation of the statements to be made with regard to 1. The Management Division Dyestuffs [Sparte] and the Management Division Chemicals will keep in touch with the Central Bookkeeping Department and will work, in Frankfurt, on the material available from the statement of losses at the Reich Indemnity Office [Reichsentschaedigungsamt] for War Losses, and will make any further necessary inquiries. A statement should also be drawn up showing the extent of compensation given by the Reich.

The investigations which are to be made from Frankfurt cover the former IG firms. The corresponding investigations for the Konzerns are to be made by these companies.

2. The indirect losses which the legal predecessors of the IG and its Konzerns suffered from the implementation of the Treaty of Versailles in the territories named in subparagraph 1.

Such losses are to be understood as direct losses which have been caused, in particular, by—

Discrimination in economic regulations, that is, the most favored nations clause.

Tariff policy directed against Germany.

Quota policy.

Special licenses policy.

Rights of domicile.

Tax policy.

Compulsory declaration of country of origin.

Measures with regard to patents and trademarks.

Establishment of national industries which have replaced former German imports and which in addition lessen the quantity of German imports by third countries.

Losses due to decreases in the home market resulting from territorial changes brought about by the Treaty of Versailles.

It is quite clear to the Commercial Committee that it will be impossible to evaluate specifically the indirect losses for the

period between the conclusion of peace and today. Rather, it will be a matter of showing, perhaps from available comparative production figures, export and market participation statistics, the extent and significance of the changes which have taken place, and the injury done. It is, for instance, the intention of the Dyestuffs Sparte to compare their share in world production and in world dyestuffs export *before* the World War with their share in world production and in world dyestuffs export *at* the outbreak of war in 1939, citing the amounts and values of the total quantities concerned. This numerical comparison is intended to demonstrate summarily the extent of the alterations which have occurred and their detrimental effect on the above-mentioned factors.

The statements to be made with regard to 2 are to be dealt with by the Sales Combines and by the Directors of the Konzerns.

3. The losses which the legal predecessors of the IG and its Konzerns suffered when carrying out the Armistice terms of 11 November 1918, in compliance with the regulations of the Peace Treaty of Versailles, and through the battle of the Ruhr.

These losses, are, in particular, damage to and destruction of factories, confiscation of goods in factories, customs duty payable for transfers from occupied to unoccupied territory, injury through the delivery of reparations. Distribution and compilation of material as in 1.

4. Direct and indirect war damage, caused since 1 September 1939.

Material extent and statement of damage as in 1 and 2.

Compilation of the material by the Sales Combines and Konzerns and by the plants, insofar as damage to plants is concerned.

II. *Suggestions by the IG and its Konzerns for economic reorganization*

1. Attitude to questions, the settlement of which will presumably take place within the scope of the general regulations of the peace treaties and treaties connected with them:

a. Measures of commercial policy, such as—

Customs.

Quotas.

Special licenses:

Certificates of origin and compulsory declaration.

Compulsory registration.

b. Foreign currency measures.

c. Questions pertaining to the right of domicile, and in particular, questions of plant locations, labor permits.

d. Taxation measures: prohibitive taxation and double taxation.

e. Questions of the law of patents and trademarks.

f. Acquisition of licenses, processes and technical experience.

g. Taxation of industrialization.

h. Method of treatment of the participation of foreign firms in Germany

i. Questions arising from the control system of the enemy armaments industry in the chemical sector and its internal connections.

k. Questions regarding the transfer of the legal residence of international cartels and other organizations.

l. Procurement of raw materials and questions connected with this.

With regard to the above questions, all offices of the IG in question and Konzerns are asked for suggestions on all matters in which they are concerned.

2. Proposals which concern the IG exclusively, and which would have to be governed by special regulations and agreements.

Examples of such concrete proposals were discussed within the scope of the meeting for all Sparten and the purchasing board.

For the time being these proposals are to be prepared according to countries, in the following order:

a. France.
b. Belgium/Luxembourg.
c. Holland.
d. Norway.
e. Denmark.
f. Poland.
g. The Protectorate.
h. England and the Empire.

Proposals which concern other countries are to be prepared in such a way that particulars on enemy property, prepared by the Economic Research Department [VOWI], are to be sent to the Sales Combines for an opinion.

All results of investigations into I and II are to be passed on currently, as they are reached, to the members of the Commercial Committee as well as to the gentlemen invited to the 33d meeting of the Commercial Committee, and to the WIPO. The WIPO, which is associated with the government offices in all these questions, is also available to all the IG offices and the Konzerns for special information, and when new questions arise, will contact the offices concerned.

An attempt must be made to evaluate and collect material on

all questions concerning France by 15 July 1940. It was therefore agreed that all offices concerned should place at least all material on France before the members of the Commercial Committe as well as before the gentlemen invited to the 33d meeting of the Commercial Committee, and the WIPO, by 10 July 1940 at the latest. A conference is to take place during the week beginning 15 July 1940, in which the experts of the Commercial Committee and of the Konzerns will take part.

These above-mentioned preparations, insofar as they concern southern Europe and Scandinavia and the Baltic area, are to be prepared in special discussions; for southern Europe—provided the technical officials are in agreement—at a Southern European Committee meeting to be called for 10 July 1940 at 9:30 A.M., at Berlin NW 7, Unter den Linden 78, and for Scandinavia and the Baltic area at a discussion to take place on the same day at 1600 hours under the direction of Dr. Ilgner, and in which the appropriate gentlemen of the Sales Combine are to take part.

In connection with the fact that Economic Groups and other industrial trade organizations make inquiries of many IG offices and Konzerns about the reorganization of Europe, the Commercial Committee decided that before they were answered, the WIPO was to be informed in every case of inquiries of this kind, so as to ensure uniformity of answers by all IG agencies and government offices.

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5. *Colonial planning*

Dr. Frank-Fahle reports on the measures taken by the government offices, and points out that the Sales Combines are represented in Africa by foreign firms to a great extent. The Commercial Committee is of the opinion that with regard to the reorganizational plans discussed under point 1, considerations and preparatory measures must be made by the IG offices as well. Consequently it was decided that an Africa Committee should form for this purpose, consisting of members of the Sales Combines and of officials of Berlin NW 7, whose first meeting should take place on 11 July 1940 at 9:30 A.M., in Berlin NW 7, Unter den Linden 78.

Furthermore, the journey to Africa of Herr Saxer and Herr Landwehr, which was decided upon at the 16th meeting of the Commercial Committee, is to take place as soon as conditions allow it.

In view of the increasing importance of the colonial-economic research, the Commercial Committee recommends an increase in

the subsidy to the Colonial Economic Committee, from 5,000 reichsmarks to 10,000 reichsmarks.

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9. *Miscellaneous*

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d. Future business executives for the Southeast

The Central European Economic Diet has furnished stipendia for 2-year special courses to train future business executives from the Southeast at the College for World Trade in Vienna. The Commercial Committee has decided to take part in this with a total of 50,000 reichsmarks, with the proviso that 25 stipendia are to be given to sons of business associates of the IG and of persons closely connected with the IG—primarily with regard to the possibility of obtaining replacements.

e. Institutes of Culture in the Southeast

German Institutes of Culture have been founded by the Foreign Office in various countries in the Southeast, which, in contrast to French and English organizations, do not spread propaganda in the superficial sense, but are for the study of the essential nature, culture, economy, and science of these countries. The character of these institutes is to be mainly scientific.

In places of the various organizations which have hitherto been active in the Southeast, the Cultural Institutes are to unite all endeavors towards political and cultural rapprochement and form a center of gravity for all interstate organizations.

These Cultural Institutes will be financed by the Reich; the Foreign Office has, however, also approached industry. With reference to the special importance of these institutes with regard to the questions of reorganization of Europe discussed under 1, the Commercial Committee approves an application to the Central Committee [Z.A.] for a contribution of 25,000 reichsmarks for the above purposes.

The next meeting of the Commercial Committee is fixed *for Thursday, 18 July 1940, and Friday, 19 July 1940, at 10 A.M. in Frankfurt/Main, Grueneburgplatz.*

Signed: VON SCHNITZLER
Signed. FRANK-FAHLE

Berlin, 1 July 1940
FF/Bs 33/40

TRANSLATION OF DOCUMENT NI-6840
PROSECUTION EXHIBIT 1052

FARBEN FILE MEMORANDUM BY TERHAAR, 7 AUGUST 1940, CONCERNING THE SUBMISSION OF FARBEN MATERIALS ON "PEACE PLANNING" TO OFFICIAL AUTHORITIES

Confidential

Memorandum for the Files

Reference No.:

Department: t/cz

Berlin NW7
Unter den Linden 82
7 August 1940

Subject: Peace planning

As a result of a conference between Mr. von Schnitzler and Mr. Frank-Fahle, the undersigned has been asked, at the request of Mr. von Schnitzler, to transmit to the competent official authorities the documents on peace planning hitherto available, namely:

1. The letter.
2. The general part.
3. The material pertaining to France.

1. The material was transmitted to Ministerialdirektor Schlotterer in the course of a 2-hour conversation dealing with the fundamental problems and—as far as was possible, considering the large amount of material—also with basic and important individual questions of Farben material.

Ministerialdirektor Schlotterer's reaction to the material presented to him by us essentially was entirely positive both with regard to methodical procedure and basic conceptions and to the evaluation of individual questions undertaken by Farben.

This favorable reaction accordingly covers the project planned by the Commercial Committee [K.A.] for memos on countries in the order chosen in this list, as well as the internal organization of our material; for example the development of our material, as planned in the letter to Schlotterer.

It is important to emphasize that Schlotterer not only considered it necessary for our specific desires to be formulated in a clear and practical manner, but also that the general part—the historical development—and the formulation of general requests planned by us should be set out basically and on broader lines. Schlotterer likewise considers it right to draft the general part as it has been drafted, and agreed entirely with the arguments on which the general part is based. (Leadership of German chemistry in 1914; subsequent restrictions [Relativierung] due to

Versailles; necessity of restoring this leadership under the New Order.) The talk on individual points was mainly concentrated on the discussion of the dyestuffs section, which, as is known, contains Farben's most urgent request. Schlotterer was of the opinion that the formulation chosen by us definitely did not represent an excessive request but, in his opinion, would probably fit organically into the development of the peace project.

In connection with the French request (discussed in this connection) for an early conference with the German dyestuffs industry, he pointed out that it was advisable to deal with these matters in the closest possible agreement with Ambassador Hemman, but also to discuss the matter thoroughly with Dr. Ungewitter and come to an agreement with him before negotiating with the French, so that the participation which we consider expedient from the private economic point of view does not run contrary to the interests of the national economy generally, of which Dr. Ungewitter is in charge. Should the discussion with Dr. Ungewitter result in difficulties, Schlotterer is prepared to discuss such divergences thoroughly with us.

Regarding the negotiations with the French in Wiesbaden, which were thus approved in principle, Schlotterer emphasized the necessity of not starting the actual negotiations unless the preliminary negotiations had made it sufficiently clear that the French had not come to anticipate the negotiations and bargain for a favorable ownership status, but had made it obvious that they were prepared, as a matter of sheer necessity, to cede the first place to the German dyestuffs industry.

As a further example the Kodak affair was discussed. Schlotterer agrees entirely with our opinion: that the Americans must be eliminated from French production with all means at our disposal. The very definite stress which Schlotterer lays on this point leaves no doubt that we need not be at all particular in the choice of these means.

The chemicals proposal for the organiatzion of long-term syndicates was greeted with similar approval.

The formal requests submitted with regard to preferential tariffs, quotas, construction freeze, and compulsory licenses were all described by Schlotterer as possible means of regulating German-French economic relations. He especially emphasized here that he welcomed the extent to which Farben participated in the consideration of such questions of trade policy.

When he has had time to read the document carefully, Schlotterer will inform us of his decision, besides giving us suggestions which we may be able to use in dealing with material received in future.

2. The conversation with Ministerialrat Imhof, which took place on the initiative of Ministerialdirektor Bergemann, resulted in the same agreement in principle as with Schlotterer. Mr. Imhof, especially welcomed Farben's ideas on a special type of European, or rather German, precedence, which he believes he can use while establishing the Europe clause planned by him.

The following details are interesting:

(1) That it is actually a matter of course that, on the basis of Germany's superiority from the angle of power politics, the economic and political superiority of Germany over France, to be firmly steered by Germany, should be established once and for all. Here Imhof is not thinking in any way of crippling France, but of restoring French economy on a sound basis, to be subordinated in every case, however, to German interests.

(2) The method planned by Farben was approved by him with regard to participation, customs, quotas, construction freezes, compulsory licenses, etc. One interesting point was that he considered Farben's participation of only 50 percent as "quite honorable" ["sehr honorig"]; he also believes that the fullest possible use should be made of the opportunities for private economic understanding in this direction, but not in the form of a compromise to Germany's disadvantage.

(3) Ministerialrat Imhof agreed provisionally, pending closer examination, to Farben's general requests regarding rights of settlement and tax policy; and considered the formulations which we had chosen difficult of achievement but so important in principle that he intends to include them also in his planning.

As regards the order in which further work is to be done, Imhof stressed that it would be practical to work rapidly on Denmark after Holland and Belgium.

3. The conversation held with Ministerialrat Schulze-Schlutius at Ministerialdirektor Bergemann's request brought exactly the same result and the same agreement. Ministerialrat Schulze-Schlutius only recommended in addition that the material be forwarded also to the new expert [Referent] on France, Oberregierungsrat Klesper in the Reich Ministry of Economics, and to Oberregierungsrat Jahnke; and this has now been done. On the other hand, he did not consider it advisable at the moment to forward it to Mr. Sagert (expert on capital participation). We suggest awaiting Bergemann's return with regard to this matter.

4. The transfer to the Economic Group [Chemical Industry] could not be made to Dr. Ungewitter, as he is on a fairly long business trip, but was made, after consulting Mr. Dietrich, to the competent Supervisory Office (Mr. Born). We consider the substitution of Mr. Born, who actually is in every way the competent

expert for the whole group of questions, extremely fortunate, as the transferred material satisfied the justified interest of Mr. Born to such a degree that we may assume that we have gained in him a reliable advocate of our methods to Mr. Ungewitter. This circumstance is all the more important because the method favored by Mr. Ungewitter does not harmonize with our method. The latter circumstance became evident to some extent when our material was transmitted to Mr. Born. According to Mr. Born's statements, the procedure followed by the Economic Group aims at the following:

(1) The drafting of a list of principles of economic policy which are to be decisive for the European chemical sector. This anticipation of basic principles for chemistry aims at creating in a certain sense a *passe-partout* [master key] in the Reich Ministry of Economics for the chemical industry, so that it will be able to organize independently what it considers expedient, within the limits of the principles approved by the Reich Ministry of Economics.

The fundamental principle of the Economic Group, as we were able to establish after surveying the completed draft, is definitely the cartel principle. All the European industries are to be organized, each in its own time, into such planned cartels, voluntarily linked together, in order to regulate within this organization the production and the market under German management and in accordance with German interests. The foreign relations of these cartels with countries outside Europe are to be regulated by means of special syndicates attached to the cartels.

(2) Mr. Ungewitter intends to propose a formal over-all ruling of this kind to Mr. Schlotterer, with the addition of a few practical examples—for instance cartel organization for coal-tar dyestuffs, nitrogen et cetera, and similar important standard products—so that Schlotterer's approval of this procedure may justify its being left to the discretion of German industry to organize and administer model regulations of this kind, their cartels functioning under state supervision.

(3) Mr. Born stated spontaneously that this procedure was chosen by the Economic Group mainly in order to avoid exaggerated bureaucratism in the treatment of peace problems. He explained that the self-liquidation of bureaucracy in the Economic Group was actually one of the proposals to be made to Schlotterer, but did not mention that the bureaucrats, although they are disappearing from the Economic Group, are appearing all the more actively in the management, control, and direction of cartels and syndicates.

At any rate, this interesting line of argument advanced by

the Economic Group, as far as it could be surveyed hitherto, does not give the impression that Mr. Ungewitter has no inclination to continue to interest himself in the shaping of the German chemical industry as he sees it. It may be that Mr. Ungewitter's views correspond entirely with our needs. Since, however, this identity of views cannot wholly be vouched for and must be secured for the future, it remains necessary to keep a careful watch on the policy pursued by Mr. Ungewitter to obtain the above-mentioned *passe-partout,* to judge it sceptically for the moment, and possibly to try to gain a certain influence on the drafting of the formal general regulation planned by him. The latter method should, however, not be tried more energetically unless a conversation, to be held between Schlotterer and Bergemann, shows that the Reich Ministry of Economics considers a general ruling of this kind practical and useful.

In establishing the reaction of the Economic Group it is important to underline the fact that Mr. Born has even at this early date asked for our views on the general ruling as well, as this is a good supplement to the important work which we submitted on France. We have explained in this connection to Mr. Born that we considered France not only as a model for the plans on countries asked for by the Reich Ministry of Economics, and which will follow shortly, but above that as a test case of the whole factual consideration to be done in connection with expansionist-policy planning. Mr. Born warmly welcomed this combination of both viewpoints and believes that this collaboration—according to program on the part of the Economic Group and empirical on that of Farben—constitutes the right synthesis for dealing successfully with the peace project. In addition, we discussed the entire Farben program with Mr. Born in a conversation lasting nearly 2 hours. During this discussion Mr. Born approved in principle the basic trend of our draft, as well as the draft of the individual paragraphs of our work and the individual requests as formulated.

In regard to the trend of our requests, he only expressed the view that the requests submitted by us no doubt contained minimum demands, which we could certainly formulate more strongly in the case of the policy becoming more unfavorable to France, without endangering private economic interests on our side. We agreed to this general form.

Mr. Born had nothing to add to the individual requests in our memorandum. If, after reading it carefully, he still has remarks to make he will notify us immediately.

In addition the following details were interesting:

1. Mr. Born considers it extremely difficult to solve the Kodak/

Europe problem, as quite contrary to the wishes of the Economic Group, the German Kodak apparently intends to take over the role of the European Kodak.

2. It was clearly seen from Mr. Born's statements that the Reichswerke Hermann Goering were interested in the Belgian Solvay Group, which is all the more remarkable in that the German Solvay Company, owing to lack of capital, can scarcely be in a position to solve this problem.

3. Mr. Born was of the opinion, that the AKU—problem, Holland, can already be regarded as settled.

4. Mr. Born believes that we should also investigate whether Farben has any kind of interest in the Unilever.

5. Mr. Born further explained, that he does not consider the customs question of special urgency in the long run, or that the Economic Group is at present occupied in working out a new tariff.

6. Mr. Born thinks he knows that the customs barrier still existing between Reich and Protectorate will be lifted on 1 October of this year.

[Signed] TERHAAR

PARTIAL TRANSLATION OF DOCUMENT NI-11252 PROSECUTION EXHIBIT 1051

LETTER FROM DEFENDANT VON SCHNITZLER AND DR. KRUEGER TO THE REICH MINISTRY OF ECONOMICS, 3 AUGUST 1940, CONCERNING THE "NEW ORDER" PLANNING FOR THE CHEMICAL FIELD IN RELATION TO THE POSSIBLE FORMATION OF A EUROPEAN ECONOMIC SPHERE

Strictly confidential

I.G. Farbenindustire Aktiengesellschaft
Unter den Linden 78, Berlin NW 7

3 August 1940

Ministerialdirigent Dr. Schlotterer,
Reich Ministry of Economics
43 Behrenstrasse, Berlin W. 8

My dear Ministerialdirigent:

Pursuant to various discussions which we had with you concerning the question of a possible formation of a European economic sphere, the appropriate board of our company has studied through what contributions we might facilitate the planning initiated by you, and to what extent we wish, in this connection, to make special suggestions and express requests concerning our own firm. As a result of these considerations, investigations and

preliminary studies have been initiated which are based on the following fundamental principles:

1. It is thought, basically, that in shaping an economic empire [Grossraumwirtschaft] in Europe, planning for the chemical field is also required. The objective of such planning is—

a. To insure economic independence of said sphere by securing ample supplies for its requirements.

b. To regulate the productive forces of said sphere accordingly by planning rational utilization of the existing production facilities, and to adjust them to the present requirements and to foreseeable requirements of the future in such a manner that, particularly, mismanagement of available manpower and capital may be avoided.

2. This continental major sphere [Grossraum] will, upon conclusion of the war, have the task of organizing the exchange of goods with other major spheres and of competing with the productive forces of other major spheres in competitive markets—a task which includes more particularly the recovery and securing of world respect for the German chemical industry. In the observations and planning to be made in regard thereto, it is necessary to bear in mind especially the shifting and development trends in the international economic forces which resulted from the last war, such as may be seen more and more in the increased influence of the United States in Latin America, of Japan in the Far East, and of Italy in Southeast Europe and the Near East.

3. Such an economy [Grossraumwirtschaft],* designed for self-sufficiency, and its planned position with respect to the remaining economic spheres of the world must, as well, give consideration to all the factors incident to the military economic requirements of Greater Germany. These requirements are not only to be considered from the point of view to merely provide for Germany important military-economic materials through import, but also with a view to make sure that existing, or possible future, integration of interests of European countries lying within the sphere of German influence with those lying outside of Europe, which may affect the latter's military-economic potential in the chemical field, should be so arranged as to do justice to the interests of Greater Germany. In this connection, thought is given to cartels, capital investments, and exchange of experience.

The studies prepared on the basis of this fundamental principle,

* The Nazi doctrine (expansionist policy) that the Reich needed more room or territory in which to achieve its historic mission.

are divided into a "General Part" and a part which is arranged according to countries.*

The "General Part" consists of a study of the situation in the international chemical market prior to the World War, of the situation which developed under the effects of the Versailles Peace Treaty in the years following the World War, and of a brief illustration of the situation of world economic forces which may be expected in the new order of the international chemical market.

The part which is arranged according to countries, includes primarily those countries with which negotiations concerning a fundamental new order may, in keeping with the military and political developments, be expected within a reasonable period of time under the armistice or peace terms, to wit:

a. France.
b. Holland.
c. Belgium/Luxembourg.
d. Norway.
e. Denmark.
f. England and Empire.

Expositions concerning Poland and the Protectorate are likewise being prepared on account of the basic decisions to be expected. Preparatory work has been started for the formation proper of a major European sphere as such, including the Nordic and Southeast European sphere as well as Switzerland. The conclusion of said work depends, to a large extent, on concrete knowledge of the ultimate formation of said major spheres. The same applies to the studies already made of questions pertaining to the foreign trade of the chemical industry within the framework of the major European sphere's relation to other major spheres. In working out the country studies, the following points are taken especially into consideration even though general regulations encompassing the entire German industry may have to be expected for specific items:

a. Measures affecting the commercial policy, such as:
Tariffs.
Quotas.
Licenses.
Export regulations.
Certificates of origin and compulsory declarations.
Compulsory registration.
b. Measures affecting the foreign exchange and currency policy.

* Only parts of each of these divisions of the "New Order" report are reproduced hereinafter.

c. Questions bearing on the right of settlement, especially in regard to—

Locations of business establishments.

Operating licenses.

d. Questions concerning taxes.

e. Legal questions concerning patents and trademarks.

f. Control of industrialization.

Expansion of existing industries.

Establishment of new industries.

g. Treatment of foreign firms in Germany.

h. Questions resulting from hitherto internationally interlocked capital, and more particularly, from the control system of the armament industry of the enemy in the chemical sector, and connections among such armament industries, as well as from future infiltration of German interests in line with formation of a major economic sphere.

i. Questions regarding transfer of the main offices of international economic associations, unions, and institutions.

k. Supply of raw materials and problems pertaining thereto.

In view of the ample variety of material to be elaborated upon, and considering the intricacies of the problems to be worked out, some time will be required to take a definitive stand to all the questions resulting from the above-mentioned arrangement. Since, on the other hand, a series of questions must be considered as being urgent, we believe to be acting also in accordance with your wishes in submitting first the "General Part" and our exposition on France for the pending negotiations at Wiesbaden, while we shall transmit expositions of our position with respect to the other questions, individually, as they arise.

In keeping with the above, we beg to hand you enclosed herewith:

(1) The "General Part" referred to above.

Pursuant to a request formulated by the Reich Ministry of Economics, a compilation has been added to said "General Part" covering direct damages sustained by IG through its legal predecessors and syndicate companies as a result of the Peace Treaty of Versailles. A compilation of the direct and indirect war damages sustained from September 1, 1939, to the present, will be made available to you upon request.

(2) The position of I.G. Farben concerning the questions resulting from the Franco-German relationship in the chemical field in regard to production and sales.

Our exposition on Holland will follow shortly.

Heil Hitler!

I.G. Farbenindustrie Aktiengesellschaft

Signed: VON SCHNITZLER

Signed: KRUEGER

P.S. A letter worded like the above is being sent to the following:

Ministerialdirigent Dr. Bergemann

Ministerialdirigent Dr. Mulert

Dr. Ungewitter/Supervisory Office Chemistry

Ambassador Hemmen, German Delegation to the Armistice Commission

[The last name is underlined in pencil and the following handwritten note added: Discussion at Wiesbaden with von Schnitzler on 9 August 1940]

NEW ORDER (NEUORDNUNG)

Strictly Confidential

General Part

The premise for a basic study of both the planning task of Greater Germany's chemical industry in the major European economic sphere, and the incorporation of such a sphere into the world economy, is furnished by the realization that, in prewar years, the German chemical industry by far ranked first with respect to both the volume of absolute quantities and value of production and its position in the chemical foreign trade of the world and that, by reason of the prewar development trends, coupled with its productive capacity and scientific attainments, it was ready not only to maintain its outstanding position but also to improve it. The end of the World War with all its economic consequences suddenly interrupted this clear-cut development. Territorial changes, the industrialization of countries which were formerly customers of Germany, and measures which were intentionally taken by the enemy countries against the German chemical industry, entailed shiftings of unusually great scope to the detriment of Germany.

The effects of said shiftings could be fully illustrated only if reliable and comparable data according to quantities and values for the prewar and postwar years were available on world production in the typical fields of production of inorganic and organic chemistry. Only on the strength of such production figures would it be possible to show to what extent the German chemical industry has lost ground as a result of the World War, and to what degree the adoption of domestic production in numerous

countries has affected or prevented German exports. If, in the absence of such production statistics, attempts were made to illustrate the scope of these shiftings on the strength of figures of foreign trade statistics, a study based thereon would involve basic deficiencies, because as a result of the statistically not illustrated domestic production, the volume of world foreign trade in chemicals dropped necessarily from year to year as compared to prewar figures. In this connection, comparability is still further impaired by the fact that, on the other hand, an increasing number of new fields and products with their respective export values appear among export figures.

Nevertheless, a few considerations are given hereinafter, based on foreign commerce statistics [Aussenhandelsstatistiken].

[Here follows a lengthy description of the development of the chemical industry of the world from 1931 on. Various tables are included concerning percentages of production exports and similar matters.]

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It will no doubt be impossible to resume where we left off at the outbreak of the World War. Neither can we reduce, to its original state, the economic development which, in the last 20 years, has taken place in the various countries or areas to the detriment of Germany. It will be necessary, therefore, to a certain extent, to accept the deterioration of the German position in comparison with 1914 as being irreparable. It will, however, appear all the more justifiable, in planning a major European economic sphere, again to reserve a leading position for German chemical industry commensurate with its technical, economic, and scientific rank. The decisive factor, however, in all planning relative to this European sphere will be the necessity of securing determined and effective leadership in the discussion [Auseinandersetzung] which must necessarily follow with the other major economic spheres outside of Europe, which are already taking shape at this time.

In order to guarantee that the chemical industry of Greater Germany and the European Continent can assert itself in such discussions, it is urgently required clearly to recognize the forces which, in the world market will be of decisive importance after the war.†

†The important question bearing on the trend of England's chemical industry in relation to the chemical industry of the European Continent, and the equally significant question of the future position of Switzerland's chemical industry within the major continental sphere, will be discussed within the framework of country studies, as soon as political conditions allow a more concrete exposition.

The importance of these forces is briefly outlined below:

1. The principal weight of the discussions bearing on a new arrangement of the world market will rest on the relationship with the *North American concerns.*

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2. The discussions with the Americans with respect to the Far East will largely center around the fact that, concerning the same sphere, it must be decided how far the European position can in respect of *Japan* be maintained in the Far East. The weakening of Japanese forces as a result of the Chinese conflict, which is still in progress today, may offer chances to affect trade policies, and other opportunities for slowing up or temporarily deferring the crystallization of the economic hegemony which Japan has striven after within the sphere of the countries bordering on the Pacific Ocean. In the long run, however, it must be expected that heavier pressure upon the European economic interests in the Far East will be brought to bear by Japan—possibly also in connection with the effects of a new era of industrialization in China—rather than by the U.S.A. Probably it is not wrong therefore, to recognize the future trend of East Asiatic trade policy in the difficulties which are today already being encountered, for example, in connection with imports into Manchukuo, Japan, and Northern China.

3. It is impossible thus far to take a clear-cut stand with respect to the problem of *Italy's chemical industry,* since the possibilities of constituting a major Italian sphere cannot as yet be envisaged in detail. On account of the particular difficulties, however, which no doubt will arise in connection with a major Italian sphere and in view of the expansionist efforts of Italy in Southeast Europe and Latin America, which can already be felt at this time, it is necessary to emphasize already at present that it will hardly be possible (considering the general relationship between Germany and Italy, which may be expected for the period following the conclusion of the war) to negotiate with Italy on the basis of the status quo of times prior to the outbreak of war, unless, instead of seeking increased exports, it is primarily desired to secure a greater share in the supplying of the domestic market.

4. A similar special exposition is likewise being taken into consideration for *Russia* which, in this connection, should be mentioned as a factor which, if the political conditions remain as they are, is capable of influencing and disturbing the discussions between the European chemical industry and the remaining major spheres.

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Compilation of direct damages sustained by IG in the form of its legal predecessors as a result of the armistice conditions of November 11, 1918, the provisions of the Peace Treaty of Versailles, and the conflict of the Ruhr.

[There follows a table showing alleged losses of 202,912,000 reichsmarks.]

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The damages acknowledged by the appropriate official agencies therefore amount to a total of approximately RM 133,000,000 to which must be added the RM 70,000,000 reported as losses of exchange and interest on reparation and other deliveries of dyestuffs. The approximate amount of RM 203,000,000, however, comprises only part of the direct damages sustained by the German national economy, because there are a series of major damage items which, at that time, were not reported to either the Reich Indemnification Office or the Reich Compensation Office. In this connection, especially the following items are involved:

a. Loss in export values as a result of the computation prescribed by the Versailles Treaty for reparation deliveries at the lowest world market price instead of the normal export price.

b. Damages resulting from months of paralyzation of the plants in western Germany during the time of occupation and the Ruhr action.

c. Sanction damages during the conflict of the Ruhr due to collection of duties between the occupied and unoccupied zones.

d. Confiscation and expropriation of patents and trademarks, through the enforcement of low rates of compensation for compulsory and other licenses, and through depreciation of the agreed equivalent as a result of currency depreciation.

The effects which the damages, referred to under items *a* to *d* have had on the German economy cannot, of course, be measured accurately. Their extent, however, exceeds several times the amount on which compensation for damages was based at that time. Thus, for example, an amount of RM 126,000,000 accrues from item *a* alone.

NEUORDNUNG (NEW ORDER) FOR FRANCE

These considerations are based on the fact that, as a result of the industrialization which began in all major powers upon the conclusion of the World War, the chemical industry in France also underwent a certain development, the retrogression of which cannot possibly be the last objective in a European new order. In contrast to the great chemical industries of the remaining principal industrial countries of the world—that is, Germany,

U.S.A., England—the French chemical industry was, however, directed in the first place toward supplying the needs of the domestic market, and in export has made itself felt only in a few fields; and even in the latter, frequently for reasons of prestige rather than for considerations of economic necessity. Its technical status, on the average, was also far from being able to meet the requirements of the highly developed domestic standard in France. Regular import requirements were and remained considerable. If, as a result of political and monetary developments, they were reduced in recent years, such reduction did not correspond to the real economic situation. As a matter of basic principle, therefore, we are of the opinion that the French chemical industry should retain its individual character in the coming New Order, but that the artificial barriers which have been erected against German imports by means of excessive import duties, quotas, and the like, should be removed. It will likewise be necessary to base ourselves on the premise that, in general, exports of the French chemical industry should be maintained only by way of exception and insofar as they had already formally been established, that is, prior to the beginning of the world economic crisis, and that French activities should consequently be restricted to the French domestic market. In our following considerations we have been guided by the desire to draw up a program designed to ascertain how, on the basis of economically reasonable viewpoints, an economic optimum could be attained through collaboration between German and French chemical industries.

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Before making suggestions, within the meaning of the preceding exposition, it appears advisable to furnish, for the individual fields of sale, an historic review of the status and development before and after the World War.

I. Development and Status of the French Chemical Industry, with Particular Emphasis on German Export Interests, Arranged by Fields of Sale

1. Dyestuffs, Auxiliary Products for Dyeing Purposes, Auxiliary Textile Products

* * * * * * *

The French dyestuffs industry under French ownership consists today of the following firms:

1. Compagnie Nationale de Matières Colorantes et Manufactures de Produits Chimiques du Nord Réunies Établissements Kuhlmann, Paris.

2. Société Anonyme des Matières Colorantes & Produits Chimiques de Saint-Denis, Paris.

3. Compagnie Française de Produits Chimiques et Matières Colorantes de Saint-Clair-du-Rhône, Paris.

4. Société des Produits Chimiques et Matières Colorantes de Mulhouse, Paris.

5. Établissements Steiner, Vernon.

6. Société Anonyme pour l'Industrie Chimique, Mulhouse-Dornach.

7. Mabboux & Camell, Lyons.

8. Société des Matières Colorantes de Croix-Wasquehal (Burel)), Roubaix.

9. Prolor, Saint-Dié.

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2. *Chemicals*

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3. *Pharmaceutical Products, Dental Products, "Bayer" Insecticides and Veterinary Medical Products, Sera and Vaccines Made by Behringwerke*

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4. *Photography*

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5. *Aromatic Substances*

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6. *Artificial Fibres*

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7. *Nitrogen and Nitrogen Products*

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II. Proposals of a Basic Nature with Regard to Production and Sales within the Framework of German-French Relations

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III. Measures Affecting Tax Policy

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IV. Provisions, regardless of whether they are issued by official authorities, associations, or others, which discriminate against the use of German products in favor of French products or those of other countries, should be abolished.

Concrete Proposals with Regard to Specific Fields of Production

1. *Dyestuffs.* In order to achieve a new order as planned and to compensate in part for damages suffered in and because of France, the best solution seems to be to bring about a uniform regulation of French production and its marketing for all time to come by the participation of the German dyestuffs industry in the French dyestuffs industry, as to prevent further encroachment on German export interests. To this end concrete proposals could be made, as for example, I.G. might be allowed to acquire 50 percent of the capital stock of the French dyestuffs industry from the Reich.

For the purpose of carrying out such a transaction it would be necessary of the Établissements Kuhlmann (which, in addition to its dyestuffs plants, operates large enterprises in the inorganic and nitrogen fields) to separate its dyestuffs division (from the rest of the establishment) and to absorb the following subsidiaries:

Compagnie Française de Produits Chimiques et Matières Colorantes de St. Clair-du-Rhône, Paris;
Mabboux & Camell, Lyons;
Société de Matières Colorantes de Croix-Wasquehal (Burel), Roubaix; and the—
Établissements Steiner, Vernon.

(The Société Produits Chimiques et Matières Colorantes de Mulhouse, Paris, and the Société Anonyme pour l'Industrie Chimique, Mulhouse-Dornach, have been omitted since it is assumed that these firms will go back to the Reich with the return of Alsace and Lorraine.) In this way, the Compagnie Nationale, which would have to be newly organized, either would have to merge with the Société Anonyme des Matière Colorantes et Produits Chimiques de St. Denis, or to enter into a close community of interests agreement with it. In either case the administrative board of the company or companies would have to be set up—part German, part French—so that each would be represented by an equal number of members.

Furthermore the following regulations would have to be issued in line with the provisions under the peace treaty:

a. The German-French dystuffs company or companies only shall be permitted to establish in France new plants for the production of dyestuffs (including lac dyes) and their intermediate products, or introduce new products into the plants already existing or to expand the latter. In addition the French Government

is to issue a decree prohibiting the establishing of plants for the manufacture of dyestuffs and intermediate products.

b. As a general rule, the output of the German-French company shall be intended for the French domestic and colonial markets only.

c. In imports to France, its colonies and protectorates, Germany shall receive preferential treatment in that such products as are not manufactured by the German-French companies shall as a general rule be purchased only from Germany and at reasonable tariff rates. The recently levied minimum tariff rates on dyestuffs would seem appropriate provided that the exchange rate of the French franc did not exceed 0.06 RM.

As to the Société des Produits Chimiques et Matières Colorantes de Mulhouse, Paris, and the Société Anonyme pour l'Industrie Chimique, Mulhouse-Dornach, we have written to the Reich Ministry of Economics under date of July 13, 1940, that we have placed a trustee for these companies at its disposal. The ultimate fate of these two enterprises can be determined only at a later date. As, after the war, there would be no economic basis for the existence of the first-named firm, it is questionable whether it would be advisable to have this enterprise continue to operate.*

AUXILIARY PRODUCTS FOR DYEING PURPOSES AND AUXILIARY TEXTILE PRODUCTS

[The report continues with concrete proposals concerning each of the fields of sale discussed earlier under the general discussion of the development and status of the French chemical industry.]

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8. *Imports.* In connection with the question of imports, mention should be made of the fact that IG has, in the last few years, imported from France and her colonies and mandates an annual average amounting to approximately RM 1,100,000 including especially:

Chromium ore.
Phosphate.
Bauxite.
Aromatic substances.
Antimony, et cetera.

IG is, of course, greatly interested in securing continuation of the import of these products also in the future. At this point, however, we refrain from making concrete suggestions or re-

* Concerning the eventual handling of the French dyestuffs plants, see subsection VIII D, volume VIII, this series.

quests, since imports of these products for IG are relatively small in comparison with the import requirements of the Reich, and since we also assume that the requests of IG will be taken into account in drafting the regulations respecting imports from France, which are to be enforced by the appropriate German Reich authorities.

We should like to reserve the right to supplement the suggestions and proposals made in this exposition, if warranted, and to cover additional problems which may arise in the course of the negotiations.

TRANSLATION OF DOCUMENT NI-6955
PROSECUTION EXHIBIT 1053

LETTER OF DEFENDANT VON SCHNITZLER TO THE MEMBERS OF FARBEN'S COMMERCIAL COMMITTEE, 22 OCTOBER 1940, CONCERNING PROPOSALS FOR "A PEACE PROGRAM WITH RESPECT TO THE ENGLISH CHEMICAL INDUSTRY"

Dr. G. von Schnitzler

Frankfurt/Main, 22 October 1940

To the members of the Commercial Committee

Strictly confidential!

Gentlemen:

During a recent visit to Ministerialdirigent Dr. Mulert, the latter asked us to make up our minds with respect to the English problems as soon as possible. It is evident that our program for France was received very favorably by the official agencies,* not so much from the standpoint that this program would now have to be that of the government too, but due to the recognition that among the confused mass of petitions from the Reich and economic groups, chambers of commerce, et cetera, it was one of the very few documents which gave the Reich Ministry of Economics clearly formulated and well thought out proposals for practical purposes. It is obvious that a similar program is desired for England even before the end of the hostilities with her, so that when an armistice is concluded the lack of clear ideas in the field of political economy should not again prove a disadvantage, as in the case of France. I immediately drew Herr Mulert's attention to the fact that the problem of England was more of a world problem than that of France and that it would therefore be extremely difficult to express our desires regarding England in as concrete a manner as we had done for France as

* See the last document reproduced above.

long as one cannot see clearly what the situation of the Empire will be and what attitude the U.S.A. will take in future discussions. Nevertheless he begged me to submit to the Reich Ministry of Economics a statement of how we plan a peace program with respect to the English Chemical industry and especially in regard to the ICI [Imperial Chemical Industries]. It would therefore be advisable that, on the occasion of the next session of the KA [Commercial Committee] we first of all discuss for purposes of information what desires we may have with regard to England and the African and Asiatic parts of the Empire. Whether it is then advisable to notify the authorities of our desires, will depend on the result of our discussion. In any case, I have asked the office of the Commercial Committee to put down "England" as the first item on the agenda for our next meeting.

Heil Hitler!

[Signed] G. VON SCHNITZLER

5. TESTIMONY OF DEFENDANTS HAEFLIGER AND KRAUCH

a. Testimony of Defendant Haefliger

EXTRACTS FROM THE TESTIMONY OF DEFENDANT HAEFLIGER*

DIRECT EXAMINATION

* * * * * * *

DR. VON METZLER (counsel for defendant Haefliger): I am now turning to count two, plunder and spoliation. The indictment charges you in that connection with participation in an alleged spoliation in Austria, which started with the acquisition of the share majority of Skoda-Wetzler A.G. from the Austrian Credit Institute [Oesterreichische Creditanstalt]. I must put a number of questions to you in that respect.

Paragraph 22 of Part II of the Trial Brief maintains that Farben, already before Austria's annexation, had endeavored to acquire the majority of the shares of Skoda-Wetzler A.G. from the Austrian Credit Institute [Oesterreichische Creditanstalt] but that these negotiations failed as a result of the rigid opposition of the Austrian Credit Institute. Is that situation correct? Would you please state your views?

DEFENDANT HAEFLIGER: This description is in no way in accordance with the facts. Many years before there were nego-

* Further extracts from the testimony of the defendant Haefliger are reproduced above in subsections C 5*e* and I 7*f*, below in subsection O 7*b* and in subsection VIII E 4 in volume VIII, this series.

tiations being carried on with respect to a participation of Farben with Skoda-Wetzler.

Q. Who initiated these negotiations?

A. That was the Director General of Skoda-Wetzler at the time. That was Mr. Isidor Pollak. He was called "Central Director" before. This is a title which only exists in Austria. He was beneath the rank of Director General. He only became Director General after 1935.

Q. Could you perhaps tell the Tribunal something about the motives which prompted Mr. Pollak to express the desire for Farben's participation in Skoda-Wetzler?

A. The Skoda-Wetzler plants could only exist as a result of the high customs arrangements. This excluded foreign competition for the Austrian market to a large degree. Consequently an economic union of Austria with Germany would have led to a downfall of this enterprise.

Q. You were speaking of an economic union of both countries. What do you mean by that?

A. By that I mean the thought of a customs union, which ever since before 1933 had been discussed and as it is known, it was supposed to have failed as a result of France's interference.

Q. Mr. Haefliger, if I understood you correctly, consideration that the basis of the so-called Skoda-Wetzler A.G. might be shaken as a result of the dropping of the high protective customs induced Mr. Pollak to try to get into closer connections with Farben.

A. Yes, an expert like Mr. Pollak realized that without further development, without further progress, a chemical enterprise cannot survive, and he also realized that Farben would be in a position to revive a chemical enterprise. He was a very sensible man and he must have recognized these questions to be valid.

Q. As far as you remember, when did the first contact take place between Mr. Pollak and Farben?

A. As far as I heard, Mr. Pollak already in 1927 succeeded in having a commission of Vorstand members of Farben, among whom was Dr. Kuehne, visit him. In getting that commission to visit him, he already on that occasion expressed the desire for closer connection with Farben. The same took place on the occasion of another visit which was made by Dr. Kuehne and by Dr. Buergin, I think, in the year 1936.

Q. Did Farben react positively to these first approaches by Mr. Pollak?

A. No, not at first.

Q. And why not?

A. The products of Skoda-Wetzler protected by customs were

not sufficiently attractive from a technical and a commercial point of view to prompt Farben to take such a step.

Q. Did Pollak thereupon try to approach other enterprises?

A. We then heard that Pollak approached Prager Verein, the Prague Association for Chemical and Metallurgical Production, as well as the largest Italian chemical enterprise, Montecatini.

Q. After Pollak had approached these corporations which you just mentioned, did the attitude of Farben change with respect to the participation project of Skoda-Wetzler?

A. Yes. A possible association of Skoda-Wetzler with the Prague Association (which was our most important competitor in Austria), because the Prague Association had, together with Solvay, an important participation in the Ebensee factory in Austria, would have meant a danger to our interests. This caused us to change our former point of view for purely economic considerations. In addition, the Austrian Government at the time requested the construction of a nitrogen plant for which Skoda-Wetzler would have been primarily suitable.

Q. Were reports made on that in the Commercial Committee?

A. Yes, in the meeting of 10 September 1937, that is Document NI–4959, Prosecution Exhibit 363.

Q. Is it a prosecution exhibit?

A. Yes, Prosecution Exhibit 363, document book 14, English page 9, German page 18,* Mr. Weber-Andreae as head of the Sales Combine Chemicals reports on the intended merger and he states the following: "The firms DAG [Dynamit A.G.], SWW [Skodawerke-Wetzler], and the IG group are each to take over one third of the Anilinchemie A.G.'s capital stock amounting to 300,000 Austrian schillings, so that, by taking Herr Philipp and Herr Pollak into the Verwaltungsrat of Anilinchemie, permanent contact may be assured and a discussion board [Aussprache-Gremium] may be established for all questions regarding development in Austria. Over and above this, an endeavor is to be made to coordinate the sales of the three companies through Anilinchemie more effectively than hitherto—DAG and SWW are already selling a large part of their production through Anilinchemie—so that by means of a larger assortment increased protection against Aussig and other firms may be assured."

Q. Let me put one intermediate question: You just read a quotation from the Commercial Committee meeting, and it says here, "protection against Aussig." What do you mean by "Aussig"?

* Document NI–4959 contains the minutes of the meeting of the Commercial Committee of 10 September 1937. Contained therein is the above-quoted statement, which is not included in the partial translation of NI–4959 reproduced above in subsection C4. However, Document NI–9289, Prosecution Exhibit 1069 (an affidavit of Frank-Fahle concerning certain meetings of the Commercial Committee), contains the above-quoted statement and is reproduced in 2 above.

A. In chemical circles we always meant, not the individual plant located at Aussig, but the entire concern, that is, the Association for Chemical and Metallurgical Products [Prager Verein] which before the First World War was located at Aussig in the Sudeten territory. After the war, when Czechoslovakia was formed, this was transferred to Karlovy Vary, and it later established itself at Prague. The designation, Prague Association or Prager Verein, was not a customary one. It only originated here in Nuernberg.* This gives rise to misunderstandings again and again, when documents are presented where "Aussig's" mentioned. I just wanted to clarify this term, "Aussig," here.

Q. Mr. Haefliger, you were just mentioning a Commercial Committee meeting of 10 September 1937 where the intended merger was discussed. Who attended this Commercial Committee meeting from Austria, say, as a guest?

A. It was Mr. Philipp, Director General of Dynamit Nobel, Pressburg, which owned a number of plants in Austria, as I mentioned. Geheimrat Schmitz introduced Mr. Philipp personally as a guest. It was not customary for a strange guest to appear at the Commercial Committee. This is the only instance that I recall.

Q. How did you understand Director General Philipp to feel about these plans of this merger of Dynamit-Nobel, Skoda-Wetzler, and Farben?

A. After the Chairman of the Commercial Committee, Dr. von Schnitzler, thanked him for his assistance with respect to the Aussig, that is, the Prague Association, and I am referring to the Commercial Committee meeting of 19 September 1937, Mr. Philipp discussed the subject at great length and declared himself ready to participate in the realization of our plans with respect to Skoda-Wetzler and Dynamit A.G., Austria. All these statements were in accordance with Director General Philipp and, more than that, originated with him. A few months later, the outcome was the so-called "New Order of the Greater Chemical Industries in Austria," which was quoted by the prosecution; that was the idea of Pollak of Skoda-Wetzler.

Q. Mr. Haefliger, let me make some technical remark. Will you please pause between the question and answer. You were just mentioning a plan for the New Order of the Chemical Industries of Austria. What do you know about that?

A. The heading by Director Krueger, the New Order of Austrian Chemical Industry, may give rise to the impression that this was a plan which was born only out of the political annexation;

* See, however, the minutes of the 21st meeting of Farben's Commercial Committee on 21 April 1939, reproduced in part in 2 above (Document NI-9289, Prosecution Exhibit 1069).

that, however, is an error. We are here concerned with a project which, as I said, now had been endeavored before that period, even by Skoda-Wetzler, and the initiator was Director General Pollak, who justifiably foresaw a revival of this branch of industry which otherwise would have been doomed to failure.

Q. Mr. Haefliger, you said before that a circle was to be created in order to discuss all questions concerning Austria in that connection. To what did these questions refer?

A. These questions referred to matters pertaining to Dynamit-Austria and Skoda-Wetzler, with reference to the chemical field.

Q. Am I correct in understanding you that it was Farben's desire in the fall of 1937, that is to say, shortly before Austria's annexation, to discuss those questions with the directors general of Skoda-Wetzler and Dynamit-Nobel A.G., that is, Pollak and Philipp?

A. Yes, that was our intention. We had free and frank relations with these gentlemen at all times. We knew them as the experts regarding those situations.

Q. Were these two gentlemen, Pollak and Philipp, non-Aryans?

A. Yes, I said that already.

Q. As you said before, in the same minutes of the Commercial Committee, these matters of the merger were discussed. Those minutes also contain a passage that people who are sent abroad by Farben as their representatives, have to be National Socialists. Mr. Haefliger, how can you explain this apparent contradiction in respect to Austria. At the end of 1937, Farben wanted ? peaceful collaboration with non-Aryan directors general. Isn't that a certain contradiction?

A. That only seems to be a contradiction. It only shows what the real attitude of Farben was with reference to those matters, and it furthermore proves that this passage in the Commercial Committee minutes can only be interpreted as representing window dressing,* as I have already mentioned.

Q. In the course of your further examination with respect to the Skoda-Wetzler complex, I should like to limit myself essentially to questions which refer to negotiations in which you personally participated. Other gentlemen will discuss this very same subject on the witness stand. Primarily let me put this question to you: At what stage of the proceedings did you interfere personally, and what were the tasks which you had to fulfill?

A. Already before that, I was occasionally informed about such matters on a broad basis and, upon request of Mr. Weber-Andreae, I asked the gentlemen of Farben about the status of the commer-

* Concerning the general defense of "window dressing," see subsection V above.

cial negotiations, and I in turn informed them about my negotiations; but actually it was only at the end of March, 1938, after the Anschluss, that I actively participated in these negotiations. The Commercial Committee meeting of March 1938, that is to say 10 days after the annexation, led to myself and Dr. Schiller being entrusted with the mission of approaching a man named Keppler, whose acquaintance I had made with respect to German ore questions, in order to settle matters pertaining to the decree of 19 March 1938. I refer you to Document NI–8041, Prosecution Exhibit 1058[1] in document book 52, English, and German page 1. We needed the permission for the carrying on of negotiations with Austria and for the eventual acquisition of Austrian firms. Without such permission, we could not continue these negotiations which were almost ripe for conclusion. The first opportunity came in Vienna on 2 April 1938.

Q. Mr. Haefliger, already at an earlier date did you have opportunity to meet this Mr. Keppler whom you mentioned, or other Party officials, and discuss with them questions concerning Austria?

A. No, never.

Q. After the meeting of 2 April 1938, did you once more meet Keppler?

A. No, never again.

Q. Did you have the authority to negotiate in Vienna with the Creditanstalt in addition to acquiring that permission which you mentioned?

A. No, I was never included in those negotiations. It had been intended to have these negotiations continued by these gentlemen who always had done it up to that point, after the necessary permission had been received.

Q. Now, Mr. Haefliger, you said that you spoke to Mr. Keppler on 2 April 1938, in order to obtain permission for the acquisition of Skoda-Wetzler. From two prosecution exhibits, Document NI–3982, Prosecution Exhibit 1071,[2] and Document NI–3981, Prosecution Exhibit 1072,[3] which I shall put to you, document book 52, English pages 90 and 96, German pages 120 and 127, it becomes apparent that already on 29 March 1938, you approached the Director General of the Oesterreichische Creditanstalt, Joham?

A. No doubt it would have been logical, and it was intended to first receive the necessary permission of the authorities to

[1] Not reproduced herein.

[2] Letter from Haefliger to Joham, 29 March 1938, reproduced in part in 2 above.

[3] File notes of Haefliger concerning his stay in Vienna, 6 April 1938, reproduced in part in 2 above.

continue the negotiations, and only then resume again negotiations with the Creditanstalt. This was to be done by the Farben gentlemen who had previously dealt with that matter. When, however, I arrived in Vienna on 28 March, mainly in order to visit the Anilinchemie (our representatives in the field of chemicals) in order to acquaint myself with the effects of the political annexation, Mr. Guenther Schiller told me that Mr. Joham, whom I had never met before, had uttered the urgent request to see, as soon as possible, a member of the Farben Vorstand, in order to make an important statement to him about his changed attitude. Shortly thereafter Director General Pollak fetched us and the three of us went to Mr. Joham in the Creditanstalt.

Q. Mr. Haefliger, I am now going to put to you an excerpt from the cross-examination of the prosecution affiant Joham, of the 6th of February, German page 6606, English page 6844.* This witness has testified that this discussion which you just mentioned came about as a result of the suggestion of Director General Isidor Pollak. What can you say about that?

A. That is quite new to me. After what Mr. Schiller told me, it was my impression that it was Joham himself who initiated this meeting. However, in my opinion that is merely a detail. It is established, at any rate, that the meeting was initiated from the side of the Skoda-Wetzler.

Q. You just said that Mr. Joham had expressed the desire to make a statement to a Vorstand member of Farben. What was this statement? What did he say when you arrived at his place with Mr. Schiller?

A. We discussed the changed situation and, as a result of this friendly conversation, we saw how Mr. Joham was quite willing to negotiate on the basis of a majority participation of Farben. You must keep in mind that shortly before the annexation, the giving up of the majority could not have been conceded by him because there were certain internal governmental regulations according to which a majority of Austrian enterprises could not be given up to foreign enterprises; in particular, German enterprises. The Creditanstalt, however, was prepared to give Farben every guarantee by way of contract, that they would not out-vote them in any matter. This necessity, however, no longer existed at this time. The Creditanstalt could now act according to its free will. If Mr. Joham considered himself at the time subject to political pressure, then I can here state under my oath that in connection with his willingness to give up the majority he made not a single remark and not a single hint which would

* Josef Joham testified as a prosecution witness and his testimony is recorded in the mimeographed transcript, 6 February 1948, pp. 6827–6872.

have led any one to believe that such action was not in accordance with his absolute free will.

Q. You were just speaking of the friendly spirit by which this conversation was moved. What was Director General Pollak's attitude, who was also present?

A. When he came to fetch us, he appeared rather oppressed by the political development, but grateful for the fact that Dr. Schiller immediately concerned himself about his dismissal. I remember that I told him to be courageous and I used the opportunity to express my praise about his merits at Skoda-Wetzler in the presence of Mr. Joham.

Q. I am putting to you Document NI–3982, Prosecution Exhibit 1071, English page 90, German page 120. That is a letter of 28 March 1938, in which you and Mr. Schiller confirm the conversation you just mentioned with Mr. Joham. The prosecution when introducing this exhibit interpreted this letter as being a dictatorial letter. What can you say about that?

A. This letter was dictated by the somewhat formal Schiller; however, I can find not a single passage from which any dictatorial attitude could be interpreted. In my opinion the whole conversation was very friendly, and very amiable.

Q. What was the reason for this amiability which you just mentioned?

A. For instance, there is a thesis which was made by Joham to the effect that the annexation [Anschluss] would bring about far more favorable expectations for the enterprise. I thought that this remark was rather absurd, but I didn't start any polemics with Mr. Joham. That becomes apparent from my file note of 6 April 1938, Document NI–3981 Prosecution Exhibit 1072. You can also see that from Prosecution Exhibit 1071. Particularly I suggested to take this objection into account, and I suggested that if an increased profit would come about, the Creditanstalt would have an opportunity to participate in a manner yet to be fixed and to an extent above the normal sales value. I considered that to be a very fair suggestion.

Q. What, in your opinion, was the statement of Joham intended to mean about the favorable expectations for the future as a result of the annexation?

A. Every expert, and in particular also Director General Pollak, was quite clear in his mind that Skoda-Wetzler could only survive as long as it was protected by prohibitively high customs against imports from Germany. Such measures permitted the enterprise to set a sales price twice and even three times higher than the one prevalent in Germany. Any one who in any way knew the situation (and that, of course, was Mr. Joham, too),

could calculate that as soon as the protective customs were dropped after the annexation, and we had to take that into account, the enterprise would get into an extremely precarious situation. Only Farben's interest in it could possibly save the enterprise. That was quite clear, and Mr. Pollak knew that about a decade ago when Dr. Bruening first broached the thought of a customs union with Germany. Farben's generosity was even more emphasized by its agreement to pay for the shares at a rate to be fixed by a trustee company, when Farben would really only have had to wait for the effect of the elimination of the high customs and then, I am sure, their interest in Skoda-Wetzler could have been acquired much cheaper and more advantageously to them.

Q. Mr. Joham, during his cross-examination, stated that in view of the agreements between the concerns with regard to sales, a danger did not exist for Skoda-Wetzler after the customs barriers had been dropped, as it existed in the case of many other enterprises.

A. It is true that our sales organization, the Anilinchemie, had certain friendly agreements with Skoda-Wetzler which provided the sales settlement for a number of products where import was still possible in spite of the customs. That applied particularly to the western part of the country, because Austria reaches as far as the Bondensee [Lake Constance]. These agreements, however, could be cancelled by either party on short notice and, therefore, did not afford any economic protection in case the situation changed. Moreover, this shows also the confidence which Mr. Joham had in the politics of Farben toward Skoda-Wetzler, and confirms that there were friendly relations between them for years; but even if Farben, on the basis of their old friendship to Skoda-Wetzler, had maintained these agreements, they would not have been able to protect Skoda-Wetzler against competition in the German Reich. The products in question were actually produced by a number of other independent chemical enterprises in the Reich's territory. I am thinking more particularly of the bordering Bavarian chemical industry, as for instance the Suedchemie A.G. which, among other things, was predominant in the production of bleaching agents, a product which is an important link in the production program of Skoda-Wetzler.

Q. Mr. Haefliger, you and Mr. Joham knew that the entire transaction depended upon the permission of the authorities?

A. Yes.

Q. Who were these authorities who had to give permission?

A. As far as I was concerned, it was Keppler. In his capacity

as official Plenipotentiary General for Austria, he was at the very highest level. What subordinate agencies there were, I did not know at the time. I though that there was a great deal of confusion and overlapping. There was no clear limitation of jurisdiction. At any rate, it was not recognizable to an outsider. As I gathered from Joham's examination on page 6623 of the transcript, English page 6860, he then considered Keppler's activity in this respect as being illegal. He didn't tell us that at the time. On the contrary, I recall that Joham recommended to us at the end of the discussion to visit Minister Fischboeck in order that we might assure ourselves as to his views on the Skoda-Wetzler matter. He said that that would be advisable in the interest of both parties. I think I can also remember that Mr. Joham, in my presence, telephoned Minister Fischboeck, or his office, in order to ask for an audience to be granted to him for that purpose for the very same afternoon.

Q. If I understood you correctly, Mr. Haefliger, you intended at the time to go through the channels which were customary and which had been recommended to you in order to gain the permission?

A. Yes, and during the following period this channel was rigidly adhered to.

Q. What was the Austrian Minister of Commerce Fischboeck's attitude during the audience which he granted you?

A. Well, I went there together with Mr. Schiller, and we were very favorably received. He welcomed our statement that we didn't come in order to exploit the situation, but that we came in order to carry out constructive business negotiations in Austria. He asked us to request Mr. Joham to give him a report and he said that he was in close contact with Mr. Keppler. However, he said nothing could be decided before 10 April, for reasons I do not know.

Q. In this connection, Mr. Haefliger, let me ask you this: when you visited Fischboeck, or when you visited other authorities, did you in any way try to exercise pressure? That is, did you try to prompt these official agencies to exercise pressure on the Creditanstalt?

A. No, in no way at all. That has never happened.

Q. I should now like to put to you Prosecution Exhibit 1072, document book 52, English page 96, German page 127a. This deals with your file note on your visit which took place during the following day to Keppler's office and where you spoke to Mr. Veesenmayer in the absence of Mr. Keppler; and in that file note, you mentioned among other things that Austrian gentlemen for a number of years already had been trained in Germany by

Farben in order to incorporate themselves into Austrian chemistry. What can you say about that?

A. Mr. Schiller also attended that conference. We wanted to explain to the responsible agencies at the time that we wanted to train suitable people too, and we wanted skilled people to stay with Skoda-Wetzler. In view of the Nazi opposition and animosity toward Farben, we had, from the very beginning, to see to it that the impression that Farben only wanted to acquire Skoda-Wetzler in order to get rid of a competitor, was not acquired. That is why the argument was made to Veesenmayer immediately in order to accede to the official desire that Austrians were not to be pushed aside from the Austrian economy, but rather were to be used. I was thinking of only one person, Dr. Pongratz, an Austrian, who had been delegated to the Anilinchemie for some time for purposes of traveling in the Southeast. All said and done, it was a diplomatic incorporation, or, as Churchill once said in the House of Commons, it was a terminological inexactitude, which I could permit myself because I knew that Farben was interested in Skoda-Wetzler, not in order to let the firm rot, but in order to modernize and develop it organically.

* * * * * * *

Q. I now proceed with Aussig-Falkenau. First of all, I should like to put to you Prosecution Exhibit 1072, which has just been discussed, document book 52, English page 96. I said this is a file note of 6 April 1938 prepared by you; on English page 97 we find a record of your conversation with Keppler in which he mentions Aussig.* What about this remark?

A. I know that the prosecution deduces knowledge of coming events. That is not the case, however. As I have already said when discussing Skoda-Wetzler, I knew, and it was recorded in the note that Director General Barsch of the Prager Verein had approached Dynamit-Nobel, Pressburg, with the suggestion that some shares of Aussig should be given to us through Dynamit-Nobel, Pressburg. I considered this a good opportunity, therefore, to sound out Keppler and find out what the attitude of the German authorities would be, because if the situation had arisen we would have to obtain approval for the question of foreign exchange, if nothing else. If I wrote in the file note that I was aiming at Aussig, I meant, as I have already said, the Prager Verein, and not the Aussig plant. That can also be seen from

* Reference is made to Haefliger's file note on his conference with Keppler on 2 April 1938 which states: "I took advantage of the opportunity—pursuant to a cue from Mr. Keppler—to sound him on the attitude of German authorities as to exerting influence on enterprises in Sudeten-Czechoslovakia. Keppler was of the opinion that such an exertion of influence was quite desirable, but should not cost too much." See Document NI-8981, Prosecution Exhibit 1072, reproduced in part in 2 above.

the fact that in my note I speak of some shares of Aussig. If Keppler said that this interest could not cost much, it was only because he was considering Prager Verein's future chances of export to the southeastern countries unfavorable, and apparently he thought that the value of such enterprises would drop. There was nothing concrete here, and, as I have said, I merely happened to be sounding out Keppler, who wanted to be informed about the Prager Verein, and I passed this request on to Berlin via Mr. Schiller, and I never heard anything more about it.

Q. Mr. Haefliger, did you have any knowledge of alleged plans of Farben before the occupation of the Sudetenland, particularly regarding the acquisition of Aussig-Falkenau, which belonged to the Prager Verein?

A. There were two plants, Aussig and Falkenau. They are about 150 kilometers apart—oh, I beg your pardon. No, I knew only that Farben was interested in holding some shares of the Prager Verein if stock should become available.

Q. Did you know that in September 1938 Farben allegedly reported to the Reich Ministry of Economics its interest in the Aussig-Falkenau plants and asked that one of their men be appointed a commissar for these plants?

A. No, I can't remember that at all. I learned the details of this only here. I did not—I am not sure when I learned this, probably after the Munich conference, that the Sales Combine Dyestuffs had managed to have Mr. Kugler proposed as commissar or trustee; but as far as I was concerned, this was purely dyestuffs matter, and I did not waste much thought on it, and I don't remember it. We were living in the period of high tension politically, and according to the Runciman report, I was under the impression that a peaceful solution would be arrived at. The Munich conference I considered great relief and a turning point in the direction of world peace.

Q. Please describe to the Tribunal briefly when and how you became involved in the negotiations for the acquisition of the Aussig and Falkenau plants.

A. Shortly after the occupation of the Sudetenland on the basis of the Munich Agreement, Dr. von Schnitzler called me in while Weber-Andreae was in the United States, and said that there were rumors current in Berlin according to which the chemical factory von Heyden wanted to acquire the Aussig and Falkenau plants. Since I knew the connection of the von Heyden factory, Mr. Strubberg very well, Dr. von Schnitzler asked me to find out whether this was true. I established telephone contact with Heyden, and it turned out Heyden actually was interested in this project because Heyden had vital interests at stake;

thereupon, on the suggestion of Heyden on 13 October 1938, there was a conference in the Hotel Adlon between the representatives of Farben and Heyden.

Q. Excuse me if I interrupt you. Just for the Tribunal, where is the Hotel Adlon?

A. In Berlin.

Q. Thank you.

A. During the discussion, agreement was reached to the effect that in the acquisition of Aussig-Falkenau plants, Farben and Heyden would take over these plants on a 50-50 basis and the dye sector would be left to Farben.

Q. Now, before these negotiations you have just described between Heyden and Farben, had there been any contact before that with Prager Verein regarding turning over the Aussig-Falkenau plants?

A. No, not as far as I know by Farben. I was always under the very definite impression at the time that Heyden had already established contact with Prager Verein or that Prager Verein had already indicated that it was willing to give up its plants in the Sudetenland. That was my impression.

Q. Tell me, Mr. Haefliger, in your opinion did the Prager Verein have any reasons or any necessities to sell the Aussig-Falkenau plants?

A. The cession of the Sudetenland, of course, brought a very changed situation for the Prager Verein. Two of its plants were in German Reich territory now. The consequence was that these plants would have to be incorporated into the existing German economic system; also these plants would be included in the German tariff area, with entirely different market situations, and because of the local sales prices in comparison with the protected Czech market, the profit would be less. Also one must not overlook the fact that the employees were predominantly German. The owners of the Prager Verein, of course, knew all this, and the issue for them was that they should get rid of these plants in the most advantageous way possible.

Q. Now, the prosecution has repeatedly referred to the alleged haste with which the whole negotiations were carried out. What about that?

A. After all, it is obvious that at such a moment one has to act quickly, it is as plain as a pikestaff that there are other people interested, too, prospective purchasers, and everyone does what he thinks proper at the moment. And that is correct in the case of Heyden, who had apparently taken steps in the matter much earlier. Haste was necessary, because we and von Heyden knew

that there would be quite a number of other parties trying to acquire the factories at Prager Verein; therefore, we had to act quickly. From this, too, I concluded that the Prager Verein was quite at liberty to negotiate with whoever it thought most suitable; that it wanted to sell its plans, on principle, was beyond any doubt as far as I was concerned, for the reasons given.

Q. When did the first negotiations with Prager Verein take place which you attended, Mr. Haefliger?

A. On 7 November 1938. At this meeting, we agreed on the sales price and the basic directives. The negotiations took place, I recall that very well, in the meeting room of the Dresdner Bank in Berlin.

Q. Were there any further negotiations?

A. Yes. There followed the final negotiations from 5 to 7 December, also in Berlin, in our building on Unter den Linden. In the meantime, the very numerous contracts had been worked out by the lawyers on both sides. On 7 December, the contracts were signed, and letters of friendship were exchanged. On the representative of the Prager Verein, as Director General Dvoracek * has confirmed on the witness stand, and rightly so, a very important responsibility lay.

Q. Will you please briefly describe to the Tribunal how the negotiations were regarding the purchase price?

A. I can only speak very briefly on that. I believe the Prager Verein started at a sum of, I believe, about 400,000,000 Czech crowns. I believe that was an experimental balloon. They went down to 380,000,000 crowns very quickly. The Germans suggested 250,000,000 crowns.

Q. Do you remember, Mr. Haefliger, what considerations this German counter-suggestions of 250,000,000 crowns was based on?

A. Yes, Dr. von Schnitzler in the private preliminary discussion with Heyden mentioned as a suitable purchase price, according to experience, the annual turnover. This annual turnover in the Aussig and Falkenau plants as we estimated from our knowledge of production, conventions, et cetera, and Strubberg's information (since he had been director at Aussig and Falkenau for many years before he worked for Heyden), we estimated this turnover at about 250,000,000 crowns. I recall Dr. von Schnitzler's formula because of its simplicity.

Q. Mr. Haefliger, to repeat, you have just used a rather long sentence, the German countersuggestion was equal to the annual turnover of the plants?

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* Jan Dvoracek appeared as a prosecution witness on 7 November 1947. His complete testimony is reproduced on tr. pp. 3490–3533.

A. Yes.

Q. And that was, in your opinion, a customary formula for calculating the purchase price?

A. No, it was not the customary formula. It was a simple formula which Dr. von Schnitzler mentioned from experience with such negotiations. It was just a countersuggestion, and I will tell you later on that, on closer investigation, it was discovered that this estimate was quite correct.

Q. I just mean to ask you whether that was an arbitrary figure or whether that was a figure based on experience and certain considerations.

A. Subsequently it was carefully investigated, so that it was not just mentioning a figure arbitrarily. There was, of course a foundation for it.

Q. What was the figure which the various parties finally agreed on?

A. 280,000,000 Czech crowns.

Q. In your opinion, as far as you could judge, was this sum an adequate compensation, an adequate price for the plants?

A. Yes, the sum seemed to be quite adequate, especially considering that the plants, as I have already said, would now come into a market with a much lower sales price, than in Czechoslovakia, which had protective tariffs.

Q. Did the Germans make any further concessions in favor of the Czechs?

A. Yes, they did. The German partners turned over various facilities belonging to the Aussig and Falkenau plants to the Prager Verein, that is the machinery. Also, there was an agreement on payment of a large amount which was to be paid to the Prager Verein by Titanium White. Also, there was an important concession that, in spite of the instability of the Czech crown, the amount of 280,000,000 crowns had to yield at least 24,000,000 marks. The risk of the rate of exchange was on the Germans. It was also agreed that a fairly large share of the purchase price, I believe about 100,000,000 Czech crowns would be paid in kind (commodities), at cost price to the Prager Verein to put the enterprise in a position to keep its Czech customers until new plants could be built.

Q. Were any restrictions imposed on the Prager Verein by the sales contract regarding further development in Czechoslovakia?

A. No.

Q. Mr. Haefliger, excuse me for interrupting you. Would you please make a pause? You don't have to speak so fast, we have plenty of time.

A. No, on the contrary, from the very beginning, it was con-

sidered important that the Prager Verein should keep complete freedom to be able to expand at will. Dr. von Schnitzler said expressly that this should be true of the manufacture of primary products, too, that is, the Prager Verein was at liberty to open new dyestuff plants in Czechoslovakia.

In addition, it was even proposed that the expansion of the Prager Verein should, as far as possible, be faciliated by technical assistance if required, and that was the purpose of the friendship pact, which was an integral part of the contract which was exchanged when the contract was signed in Berlin.

Q. Was any other reason given in the negotiations for lowering the Czech demand from 380,000,000 crowns by the German side?

A. I believe I recall that the lawyers said that the Aussig and Falkenau plants had certain liabilities which had to be taken over, and that there were various legal disputes pending which might lead to further financial liabilities on the parts which would have to be taken over when the plants were purchased.

Q. Then, if I understand you correctly, Mr. Haefliger, you mean to say that the concessions made by the Germans to the Czechs were justification for lowering the purchase price from 380,000,000 to 280,000,000 Czech crowns?

A. Yes, the purchase price of 380,000,000, that was the suggestion of the Prager Verein. In commercial negotiations there is always trading; that is so in the whole world. That doesn't mean by any means that these 380,000,000's would have been the proper price. I consider that this fixing of 280,000,000 with all the complete details and the concessions, was a quite fair solution of the problem.

Q. Did the representatives of the Prager Verein in the negotiations ever indicate that they had previously been in touch with Ruetgers about the sale of Aussig and Falkenau plants?

A. No, not a word. They didn't even hint it. They didn't even hint such previous negotiations with other firms.

Q. Now, outwardly, were all these negotiations in a fair spirit or were there violent disputes, scenes, which might be interpreted as exertion of pressure on the Czech partners?

A. No, the negotiations differed in no way from the form of negotiations customary throughout the world in private business and such matters. Only at the meeting on 6 December 1938 on the day before the contract was signed, when the main points had long been agreed upon and there were a few minor points to be settled at the end of the 14-hour meeting, there was a dispute between General Director Basch and Dr. von Schnitzler about a minor point, but I don't remember what that was.

Thereupon the meeting was closed, I believe it was already after midnight. Aside from this incident, which was due to exhaustion, the negotiations were carried out in quite correct and objective tone, and on the next morning when we were able to go to work refreshed, not a word was said about this midnight quarrel.

Q. Mr. Haefliger, I want to come back to the purchase price of 280,000,000 Czech crowns. Do you perhaps recall whether this sum which you finally agreed on was suggested by the Prager Verein at the end or was this suggestion made by IG?

A. I cannot remember that. There were some intermediate stages. We went to 310, and then the titanium white plant was discussed and all kinds of questions were considered. I don't know how we came to agree on 280.

Q. Now, Mr. Haefliger, did you have the impression during all these negotiations that Farben exerted any pressure on the Czechs?

A. No, I did not have this impression.

Q. Do you perhaps know whether the German authorities in any form, acting on or without Farben's suggestion, exerted any pressure on the Prager Verein in order to have the Aussig and Falkenau plants turned over to Farben?

A. No. I did not know anything of that and I cannot remember the representatives of the Prager Verein during the negotiations having made any such remark or hint even. I don't believe that the German authorities intervened in any way. I have no knowledge of such a thing.

Q. But, Mr. Haefliger, you did say that the Prager Verein, after the Sudetenland was ceded, realized a certain necessity, let us say, of selling the Aussig and Falkenau plants. Was that not a certain compulsion under which the Prager Verein was negotiating in this case?

A. One has to state most emphatically that in international business it is a well-known fact that if an enterprise is obliged to give up a working plant it is generally because of political circumstances or because of the economic situation, and this usually constitutes some pressure.

Q. Can you not give an example of this from your own activity with Farben—for such compulsion in which you were, of course, again in international business dealings?

A. Certainly. Not long before that I personally was in such a position. It was a question of the Farben's option participation in the American Magnesium Corporation in the United States, in the fall of 1937. It might have been the middle of the year. At that time, Farben was obliged to give up this very promising holding, since, on one hand, the anti-German attitude which pre-

vailed in the United States at this period was affecting the enterprise adversely. For example, by all the withholding of government orders and also because of lack of foreign exchange, it was impossible to carry out capital measures which in the future might become necessary for the welfare of the enterprise, and in the minutes of the Chemical Committee of 25 May 1937 is the following remark: "Magnesium U.S.A. If we were to exercise this option, the company would have great difficulties in securing government orders, which are of vital interest to the business." I should like to remark that this option of 50 percent participation in the Magnesium Corporation had—could have been obtained at a very small price; only a few thousand dollars; but, as I say, this we could—we could more or less—consider this option as participation. I mean to say that in the sale of enterprises, especially large international transactions, there is a certain compulsion on one side for which the other side cannot be held responsible. Thus I see, and saw, the position in the Aussig-Falkenau case.

Yes, that is what I mean to say.

Q. Now tell me what the connections were between Farben and the Prager Verein after the sale of the Aussig-Falkenau plants. Were relations impaired because of the purchase of these plants?

A. No, not at all. As far as I could judge, we had a friendship agreement, too, which the Prager side and we, too, considered very important. And we observed it.

Q. Tell me because of this transaction—that is, the giving up of the Aussig and Falkenau plants—was the Prager Verein financially weakened?

A. I am convinced that it was not. By the payment of the purchase price by Farben, the Prager Verein had become to a great degree liquid, and I emphasize once again that a large portion of the purchase price was paid in the form of goods. The best proof of this is the fact that at some time later, as far as I recall, it participated to 40 percent in the company for building a rayon factory together with the Dynamit Nobel Pressburg, and, according to the Friendship Pact, Farben had invited this participation. This rayon factory at Pressburg proved to be an excellent investment for Farben, for Dynamit-Nobel, and for the Prager Verein. That was quite a profitable enterprise.

Q. You mean to conclude from the Prager Verein's participation in this rayon project that, after selling the Aussig and Falkenau plants, the Prager firm was enjoying prosperity?

A. Yes, and I believe the stock was never so high as after this transaction. The Prager Verein stock, I mean.

* * * * * * *

Q. I have now finished your examination on the question of the acquisition of the Aussig-Falkenau plants. I should merely like to ask in conclusion, Mr. Haefliger, whether, in this entire transaction at any time you were aware that Czech property was being stolen?

A. I must deny that emphatically. I was convinced that the Prager Verein, because of political developments, could no longer hold the Aussig-Falkenau plants, but that in the sale of these plants it received a purchase price and other important concessions which were very proper remuneration and suffered no financial loss.

* * * * * * *

b. Testimony of Defendant Krauch

EXTRACT FROM THE TESTIMONY OF DEFENDANT KRAUCH[1]

CROSS-EXAMINATION

* * * * * * *

MR. SPRECHER: Now, was there any question in your mind but what the Norsk-Hydro project was a part of the order of the Grosswirtschaftsraum [2] theory, under which the Norwegian economy, as well as other economies, was to be mobilized to work for Germany?

DEFENDANT KRAUCH: The word Grosswirtschaftsraum was used very often at the time. I believe it would have been a plan which would have been put into operation after a successful completion of the war, successful for Germany. Much has been said about the Grosswirtschaftsraum, but I believe very little of it has been realized.

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[1] Further extracts from the testimony of the defendant Krauch are reproduced above in subsections C 5, F 3, G 7, H 4 *a*, I 7 *a*, L 3 *a*, and in section IX F 1, vol. XIII, this series.

[2] A literal translation of this word is "Greater Economic Sphere."

6. AFFIDAVIT OF DR. KURT KRUEGER

TRANSLATION OF SCHMITZ DOCUMENT 51
SCHMITZ DEFENSE EXHIBIT 51

AFFIDAVIT BY KURT KRUEGER, 31 DECEMBER 1947, CONCERNING FARBEN'S TREATMENT OF JEWISH OFFICIALS AND EMPLOYEES IN FARBEN ORGANIZATIONS IN AUSTRIA AND OTHER COUNTRIES

I, Kurt Kreuger, at present living in Ramholz, Schluechtern district, having been duly advised that I shall render myself liable to punishment by making a false statement, herewith declare on oath that, to the best of my knowledge and belief the statement which follows is true. It was made to be submitted as evidence to the Military Tribunal No. VI (Case VI, I.G. Farbenindustrie Aktiengesellschaft).

I was an employee of the I. G. Farbenindustrie Aktiengesellschaft from 1928, or thereabouts, onwards. Among other positions, I held that of head of the Central Finance Administration Office of IG, Berlin NW 7, which dealt centrally with the financial business of IG.

Negotiations were frequently conducted (in connection with the removal from IG organizations abroad of non-Aryans) which had been enforced by the government and Party authorities for the purpose of arranging payments of compensation, pensions, and retainers [Karenzzahlungen] which had to be made in foreign currency to non-Aryans when they left. Owing to the fact that it was the business of the Central Finance Administration of IG to apply for the foreign currency required, I took part in such negotiations with the Reich Ministry of Economics and with the Foreign Organization of the NSDAP very frequently. I am therefore perfectly familiar with the policy the IG pursued in these matters, which was to treat the non-Aryans who had to leave with a maximum of fairness and generosity, and to assure their security for the longest possible period. In numerous cases "Karenz" contacts [placing upon one party the obligation not to compete for a certain period of time in the same field of business with his former employer] were concluded, although they did not deserve to be called such in reality, in order to bridge over the time until the person concerned was entitled to a pension in accordance with the provisions of his contract.

I can remember clearly the following incident. When a large number of applications for foreign exchange in connection with the payment of compensation to non-Aryans in our sales organizations in southeastern Europe had accumulated at the Reich

Ministry of Economics which could not be granted because the persons who then represented the Foreign Organization at the Reich Ministry of Economics refused to countersign the authorization granting the applications, a conference between representatives of the IG and all the departments of the Reich Ministry of Economics concerned was arranged at the instance of Ministerialdirigent Dr. Landwehr who supported our point of view for the purpose of reaching a general decision on the question of policy with regard to the payment of such compensation. Eighteen to 20 persons in all were present at that meeting. My assistants and I, together with the representatives of the sales organizations of the IG fought at that meeting with such determination for the permits for which we had applied, that one of the representatives of the Foreign Organization present—I have forgotten his name—remarked during the meeting, that "the gentlemen of the IG are fighting for the claims of the Jews as if they were their own claims. They seem to have no idea as yet of the spirit of the Third Reich."

After an extremely difficult, and at times acrimonious, debate we succeded in pushing our original claims through with minor alterations to our disadvantage.

The attitude of the IG as formulated and criticized in the above-mentioned meeting was one of the reasons why considerable difficulties were placed in the way of the IG in trying to guard its interests in Austria after the Anschluss. It was reproached with having proved itself politically unreliable from the National Socialist point of view in that it had, among other things, done very little about the dismissal of non-Aryans from the Austrian organizations of the IG, in spite of repeated requests to that effect. Numerous Jews did, as a matter of fact, still hold positions in IG enterprises in Austria in March 1938. I can remember clearly that ways and means of counteracting the unfavorable impression made on the Party were discussed at the time by the committees of the IG.

The prosecution document NI–9289* (affidavit of Dr. Guenther Frank-Fahle) has been shown to me. It contains excerpts from minutes of meetings of the Commercial Committee. The following passage occurs on page 4 of the original:

"3 Personnel

There exists complete agreement as to the fact that, in order to safeguard uniform Farben interests, all non-Aryans employed by the Austrian organizations, in accordance with the directives issued by Geheimrat Schmitz, should be given leave

* Prosecution Exhibit 1069, reproduced above in subsection 2.

of absence, or should be dismissed at the earliest possible date. Likewise, the members of Aufsichtsrats and Verwaltungsrats, insofar as they are non-Aryans, are to be asked to give up their mandates."

In this connection, I should like to state the following: the wording of the minutes apes the spirit, or rather, the evil spirit, of Nazidom, and represents therefore a negation of the spirit in which the IG treated the question of non-Aryans. The minutes of IG meetings were, so to speak, shop windows. They contained therefore, some items which were mere "window dressing," dummies exhibited for purposes of decoration.* Thus the passage quoted above was inserted so that reference could be made to it when dealing with government or Party authorities. This theory also offers an intelligible explanation for the reference to Geheimrat Schmitz, who was not responsible for decisions of such questions at all, but whose name was pressed into service for that purpose. I have been in a position to observe that Schmitz strove to surpass, by additional financial assistance, et cetera, the normal generosity of the IG in paying compensation, in those exceptional cases in which he was involved. Actually conditions were as follows: Austria having been made Reich territory by the Anschluss, there could be no doubt at all that the continued employment of non-Aryans in IG organizations would not be permitted. But those who took part in the meeting had not the shadow of a doubt that nothing must be left untried to ensure that those who left were treated as decently and generously as possible from the financial point of view.

The committee's decision was a favorable one for those affected, because Farben, by publicly stating its decision to discharge the non-Aryans, had made clear its obligation to compensate them. The decision does not mention the regulations, according to which the matter should have been handled, as their inclusion would have made the desired aim illusionary.

[Signed] KURT KRUEGER

Miesbach, 31 December 1947

O. Knowledge of Aggressive Intent

I. INTRODUCTION

Both the judgment of the Tribunal (sec. XIII, vol. VIII, this series) and the concurring opinion of Judge Hebert on the charges of crimes against peace (sec. XIV, vol. VIII, this series) found that all of the defendants were not guilty of crimes against

* Concerning the defense of "window dressing," see subsection V, above.

peace because the required criminal knowledge and intent had not been proven. The judgment of the Tribunal concluded that the evidence with respect to the defendants Krauch, Schmitz, von Schnitzler, and ter Meer fell very short of "establishing beyond a reasonable doubt" that their activities "were undertaken and carried out with a knowledge that they were thereby preparing Germany for participation in an aggressive war or wars," and that the evidence against the other defendants "is weaker."

Throughout the case the most contested question on the charges of aggressive war was whether the defendants had the requisite "state of mind" to warrant a finding of guilty. Almost all of the opening and closing statements deal with this question to some extent (see secs. III, and XI). The defense motion for a finding of not guilty, made at the end of the prosecution's case in chief, and the prosecution's answer thereto, were almost exclusively directed to this matter (subsec. B above). A great deal of the evidence reproduced in earlier subsections bears on the question of knowledge, as for example the statements of Hitler and Goering in connection with the Four Year Plan (subsec. F above), the statements of Defendant Krauch, in April 1939, on the situation after the invasion of Czechoslovakia (subsec. G above), and most of the documents and testimony concerning mobilization planning (subsec. H above). This concluding subsection on crimes against peace contains some of the evidence directly bearing on this question not reproduced earlier in this volume.

These materials are arranged as follows: affidavits and extracts from the testimony of Prosecution Witnesses Wagner and Ehrmann (2 below); extracts from two affidavits by Defendant von Schnitzler (3 below); an affidavit of Defendant ter Meer (4 below); a number of contemporaneous documents, including various speeches of Hitler concerning his peaceful intentions (5 below); testimony of Dr. Frank-Fahle, secretary of Farben's Commercial Committee; an affidavit of Seebohm, Farben's representative in Czechoslovakia, concerning the Conference on Czechoslovakia in May 1948 (6 below); and extracts from the testimony of four defendants: ter Meer, Haefliger, Ilgner, and Kugler.

2. AFFIDAVITS AND TESTIMONY OF PROSECUTION WITNESSES EHRMANN AND WAGNER

a. Affidavit of Dr. Felix Ehrmann, Deputy Business Manager of the Economic Group Chemical Industry

TRANSLATION OF DOCUMENT NI–4954
PROSECUTION EXHIBIT 500

AFFIDAVIT OF DR. FELIX EHRMANN, 13 MARCH 1947, CONCERNING CONVERSATIONS AT THE ECONOMIC GROUP CHEMICAL INDUSTRY ON THE INTERNATIONAL TENSION IN THE SUMMER OF 1939

I, Dr. Felix Ehrmann, residing at Baddeckenstedt, District of Wolfenbuettel in the British Zone of Occupation, having been advised that by making any false statements I will become liable to punishment, hereby voluntarily declare the following under oath and without having been subjected to any duress:

The main topic of conversation of the responsible persons of the Economic Group Chemistry used to be, in the course of the summer 1939, the tension in the international situation. Though I don't know whether Dr. Ungewitter[1] possessed any official information concerning the plans of an invasion of Poland, he discussed these matters with many responsible persons of the government and of the Wehrmacht, and often remarked in my presence that Hitler would invade Poland.

This problem also appeared in connection with the question of the I.G. Farbenindustrie plants at Ludwigshafen-Oppau. Mr. Ungewitter also considered the possibility that war with Poland might also entail war with France and England. Being the representative of the Economic Group Chemistry, he had several conferences in this connection with delegates of the Reich Ministry of Economics. This problem was also discussed with Herr von Schnitzler,[2] member of the Central Committee of the Managing Board [Zentralausschuss des Vorstandes] of I.G. Farben. War with France and England would have meant great dangers for the factories at Ludwigshafen-Oppau which were situated close to the French border and could be reached by French airplanes and even by French artillery. Therefore, it was considered advisable to stop all new construction at the Ludwigshafen-Oppau plants and to transfer part of the factories to the

[1] Dr. Claus Ungewitter was business manager of the Economic Group Chemistry as well as Reich Plenipotentiary for Chemistry.

[2] An affidavit of Defendant von Schnitzler concerning his conversation with Dr. Ungewitter at this time is reproduced in the following subsection.

interior of Germany. Dr. Ungewitter was of the opinion that this ought to be done under all circumstances, but the IG, and probably also Herr von Schnitzler, considered this not practicable.*

After several conferences with Major Becht of the War Ministry, Dr. Hoffman of the Ministry of Economics, Dr. Ungewitter of the Reich Office Chemistry, and 4 to 5 representatives of I.G. Farben (according to my memory, there were among them Dr. Ambros and Dr. Wurster and a representative of Vermittlungsstelle W), the Reich Office Chemistry finally gave orders to the effect that further constructions for the enlargement of the Ludwigshafen-Oppau plants were immediately to be stopped and the factories partly to be transferred to the interior of Germany. The representatives of I.G. Farben did not agree with this decision, and got in direct contact with Dr. Carl Krauch of the Four Year Plan, at the same time completely ignoring the Reich Office Chemistry and the Economic Group Chemistry. Therefore, this order was never carried out. I was, however, never told that the order of the Reich Office was ever withdrawn, though Dr. Ungewitter availed himself of each opportunity, when representatives of IG called upon him, to discuss this question and to complain about the attitude of IG.

I remember that during these conferences several meetings took place between Dr. Ungewitter and Herr von Schnitzler. In connection with the discussions about the imminent war, Dr. Ungewitter also made the remark that the war with Poland will most probably not begin before the harvest has been collected, that is, not till September 1939.

I have carefully read each of the two pages of this affidavit and signed it with my own hand. I made the required corrections with my own hand and initialed them with the first letters of my name, and I herewith declare upon oath that I have said the pure truth in this statement to the best of my knowledge and belief.

[Signed] FELIX EHRMANN

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* A number of documents and considerable testimony concerning mobilization plans and the Ludwigshafen-Oppau plants during 1939 are reproduced above in subsection H, "Farben's Liaison Office Wehrmacht (Vermittlungsstelle Wehrmacht) and Mobilization Planning."

b. Extracts from the Testimony of Prosecution Witness Dr. Felix Ehrmann[1]

DIRECT EXAMINATION

* * * * * * *

MR. SPRECHER: And what is your present position?

WITNESS EHRMANN: I am chief manager of the Economic Association of the Chemical Industry in the British Area of Control.

Q. What was your occupation before the collapse of Germany in 1945?

A. I was Deputy Chief Manager of the Economic Group Chemical Industry and Deputy of the Reich Plenipotentiary for Chemical Industry.

Q. And where was your address at that time, Dr. Ehrmann?

A. Berlin, Gross Admiral Prinz Heinrich Strasse 6.

Q. Mr. Witness, approximately when did you first start to deal with representatives of our office concerning the investigation of this case? Was it about the early part of this year or the spring?

A. In February.

Q. And at that time were you warned about the penalty for perjury and the obligation to tell the truth?

A. Yes.

Q. Did you discuss these affidavits with me either yesterday, and to some extent today, with respect to any modifications or additions which you thought necessary after the passage of the time since you had executed these affidavits?

A. Yesterday.

* * * * * * *

Q. Would you go then to NI–4954, which is Prosecution Exhibit 500.[2] That is book 24, Your Honors, English page 16, German book 22, page 47. Do you have any additions or corrections or modifications to that affidavit, Dr. Ehrmann?

A. No, not here.

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CROSS-EXAMINATION

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DR. VON KELLER (associate counsel for defendant von Schnitzler): Witness, you said that in fact you were the deputy business

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[1] Complete testimony is recorded in the mimeographed transcript, 7 October 1947, pp. 1724–1745.

[2] Reproduced immediately above.

manager of the Economic Group Chemistry. If I may say so, you were Dr. Ungewitter's right hand?

WITNESS EHRMANN: Yes, after the year 1942.

Q. But Dr. Ungewitter has already regarded you before that date as his first assistant.

A. Yes, after the year 1932.

Q. Was the relationship between you and Dr. Ungewitter a confidential one?

A. That held true until the last months of the war.

Q. Apart from this very last period, do you believe that Dr. Ungewitter kept you informed about the most important matters as they were of decisive importance for the chemical industry?

A. It corresponded with his general attitude to part with such information not only toward me, but also toward all his other closer associates. He did that, however, to a very different degree in each case. Sometimes he was very complete and told us about matters in great detail. At other times he did not give us any information at all.

Q. Let me now ask you about a subject which you, Witness, dealt with in your affidavit 4954. This is Exhibit 500 in German document book 22, page 47, English document book 24, page 16.

Witness, before the actual outbreak of the war, that is to say, before the first of September, 1939, did you, personally, have concrete official information to the effect that an aggressive war was a firmly decided matter, and that hostilities would actually start at a certain time? Let me specify my questions once more: concrete official information.

A. No.

Q. Now, Dr. Ehrmann, were you present during the conferences which, according to your affidavit, took place in the summer of 1939 between Dr. Ungewitter and the defendant von Schnitzler? I am talking about the conference which you deal with in your affidavit.

A. These conferences were brought back to my mind through minutes of these conferences, which originated from Mr. von Schnitzler and were submitted to me by the prosecution.

Q. You yourself, Witness, therefore, did not remember these conferences before this matter was put to you by the prosecution?

A. Understandably not, because such discussions were very frequent at that time, and it is very difficult to know what took place at a given time.

Q. In that case, you do not remember that in the course of these discussions Dr. Ungewitter gave you concrete official information, according to which an aggressive war was a firmly decided event and that hostilities were to start at a certain period

of time? I repeat: concrete official information. Do you remember that?

A. I can say with certainty that up to the outbreak of the war he did not transmit any official information of the sort.

Q. Now, Witness, in order to clarify this subject somewhat let me draw your attention to the second paragraph of your affidavit which I just mentioned. There you have stated that Dr. Ungewitter repeatedly made utterances to the effect that Hitler was going to march into Poland. Is it correct, if I say in this connection that these utterances, as far as you could survey them, were only personal fears and combinations?

A. Yes.

Q. In another passage of your affidavit, Witness, you said something else, and I want to put the following question to you. I am referring to the last-but-one-paragraph. I quote: "In connection with the discussions about the imminent war, Dr. Ungewitter also made the remark . . ." May I interpret this sentence by saying the "possibly" imminent war was meant?

A. Yes.

Q. Then, in that case too, we are merely concerned with assumption and personal fear, with no concrete official knowledge?

A. Yes.

Q. In your affidavit, you go on to deal with the question about the removal of plants from Ludwigshafen and Oppau and the installations to be conducted in those two plants. Am I correct in assuming that we are concerned with precautionary measures for an emergency?

A. Yes.

Q. Was the removal of the plants from Ludwigshafen and Oppau into inner Germany ever carried out?

A. As far as I know, it was not.

Q. Do you believe that the opposition to a transfer of these plants, or the prevention of the transfer of these plants, was initiated mainly by the gentlemen of the I.G. Farben, without the authorities opposing such a transfer?

A. As far as I know, we are exclusively concerned with an opposition on the part of the gentlemen of the I.G.

DR. VON KELLER: Thank you, Witness. I have no further questions.

* * * * * * *

DR. HEINTZELER (associate counsel for defendant Wurster): In that case, let me pass to your affidavit NI–4954, Exhibit 500, which is document book 24, page 16 of the English text. Accord-

ing to the statement which you made in connection with the preceding affidavit, I may assume that this affidavit too, can be interpreted to mean that Dr. Wurster, as far as you remember, only participated in one conference, probably—and I emphasize "probably"—in September 1939.

A. As far as we are here concerned with the problem of Ludwigshafen, Counsel, if you are so precise I must go back to the year 1936 or 1937 when there were a number of conferences regarding the situation of the German sulfur supply, especially the erection of sulfur production plants. Dr. Wurster took part in these conferences.

Q. We would have to refer to your statement in greater detail, but I think it is beyond the contents of the affidavit which is now a subject of discussion; have I interpreted your statement correctly with reference to the contents of this affidavit?

A. Yes.

Q. Now, if before the outbreak of the war, that is in the summer of 1939, negotiations took place about the transfer of installations in Ludwigshafen and the stoppage of work in Ludwigshafen, the participants in these conferences must have been other gentlemen of the IG. Do you know for what reasons the participants in these conferences did not agree with the decision made by the Reich Office Chemistry?

A. They did not do so on technological grounds.

Q. Would you please explain your reply in greater detail?

A. Ludwigshafen represents a very complicated plant. One production and installation is closely connected with every other one. This, in particular, holds true of the modern parts of the Ludwigshafen plant which were then the subjects of the discussions. The removal of any part of the plant would, under circumstances, have lead to considerable difficulties from the point of view of production. Is that sufficient?

Q. Yes, this is the technical aspect. My question concerned another aspect. If I put to you that the negotiating gentlemen of the IG thought that this entire prerequisite for this removal in the case of war was something entirely theoretical, and that they therefore objected to the transfer of Ludwigshafen, do you think that is possible?

A. I don't think it is out of the question, although this reason was not given at the time.

Q. But you admit the possibility as such, do you?

A. Yes.

DR. HEINTZELER: Thank you. I have no further questions.

c. Affidavit of Dr. Hans Wagner, Official of Farben's Liaison Office Wehrmacht

PARTIAL TRANSLATION OF DOCUMENT NI–8925
PROSECUTION EXHIBIT 247

EXTRACTS FROM AN AFFIDAVIT OF DR. HANS WAGNER, 11 JUNE 1947

I, Dr. Hans Wagner, born on 9 July 1903 in Frankfurt am Main, chemist in the I.G. Farbenindustrie A.G. from 1928–1945, member of Vermittlungsstelle W, Berlin NW 7, present address Stierstadt-Taunus, Untergasse 10, after having been warned that I shall be liable to punishment for making a false statement, herewith declare the following under oath of my own free will and without coercion:

1. In 1928 I joined the Hoechst plant as laboratory chemist, and remained there until the middle of February 1938, when I was transferred to the Vermittlungsstelle W in Berlin. My personnel file was, however, kept in Frankfurt from then on, at the request of Dr. ter Meer. In the Vermittlungsstelle W, I took over the work relating to patents, mainly for Sparte II and partly for Sparten I and III; furthermore, developmental work and supplies to the Wehrmacht within the range of Sparte I.

2. The first mobilization plans were drawn up at the end of 1936 or the beginning of 1937, as far as I know. The setting up of these plans was done as follows: All Wehrmacht offices sent in their requirements for the various war products via the Military Economics Staff [Wehrwirtschaftsstab] of the High Command of the Wehrmacht (Chief: General Thomas), to the Reich Office [Reichsstelle] Chemistry (at that time still Economic Group Chemical Industry—that is, Dr. Ungewitter). These requirements were then forwarded to the IG with the inquiry as to whether they could be met in the event of mobilization.

All these products in question were strictly war products. With regard to peacetime production, the Wehrmacht or Dr. Ungewitter determined for the IG, this being binding, to what extent production had to be cut in the event of mobilization.

3. Vermittlungsstelle W forwarded the requirements of the Wehrmacht, or rather of the Reich Office Chemistry, to the technical department of the various works, and the mobilization executives [Mob-Beauftragten] of the individual plants then developed detailed production schemes for the event of mobilization. The mobilization production scheme of each individual plant was then adapted to the mobilization production schemes of the other

plants by the technical committees concerned, that is, the Sulfur Committee, the Chlorine Committee, the Solvents Committee, et cetera. The aim of this adaptation was to see to it that in the event of mobilization each plant would be supplied by the other plants with the basic and preliminary products necessary for its wartime production.

The production schemes were then sent to Vermittlungsstelle W, and from there forwarded to the Reich Office Chemistry.

On the basis of the production plan, a meeting was then arranged for each individual plant at the Reich Office Chemistry between representatives of the OKW, the Reich Ministry of Economics, the Reich Office Chemistry, the Vermittlungsstelle W, and the plant in question. These meetings usually lasted 1 day for each plant. At the end of the meeting, a decision was reached on the individual points of the production plan, and, as far as I remember, it repeatedly happened that the IG representatives outvoted the representatives of the OKW and succeeded in gaining their point. On the basis of the decision, the mobilization plan for that plant was then declared binding.

4. The mobilization plans were drawn up from year to year.

5. The IG did pioneer work in regard to the drawing up of the mobilization plans. While the Reich Office Chemistry based its work merely on the production plans for each plant, the IG developed complete plans which laid down for each product the production plant, the processing plant, and other consumers. This scheme was then used by the Reich Office Chemistry for the entire chemical industry.

6. The mobilization plan was put into operation on receipt by the plant of mobilization orders from the Military Area Command. In my opinion, the plan for the Ludwigshafen plant was put into operation in July 1939. That means that from that moment on, the Ludwigshafen plant worked exclusively on the production laid down for wartime. I believe that the mobilization plans of some other plants were also put into operation before the outbreak of war. Wartime production was also started in stand-by plants a considerable time before the outbreak of war, as for instance in Wolfen, for the manufacture of stabilizers at the beginning of 1939. This was done by order of Ministerialdirigent Zahn of the High Command of the Army.

7. Owing to these preparations, I was in no doubt in the middle of 1939 that Germany would wage an aggressive war. I believe I can say that all my colleagues at the Vermittlungsstelle W were of the same opinion. Several facts caused me to reach this conclusion; namely, the fact that several of my acquaintances

were suddenly inducted; the fact that other acquaintances were not discharged after the usual period of service, but remained with their units; the putting into operation of the mobilization plans of the individual plants, especially, as already mentioned before, of Ludwigshafen; the commencement of operations of the stabilizer plant in Wolfen at the end of 1938, beginning of 1939; the increase in the production of diglycol, which was being used for explosives; the interest which was being shown by the Wehrmacht in direct-process mustard gas [Direkt-Lost], to be produced in Gendorf.

* * * * * * *

Through my acquaintance with various officers of the Wehrmacht, which was not based on personal friendship but rather on purely professional collaboration, I learned about troop movements to the East and the West before the outbreak of war. I also considered this an indication of aggressive war, as well as the experiments and developmental work of the IG with the Wehrmacht.

The conclusions at which I arrived were of a purely private nature and it was not my duty to inform the chiefs of the IG of my conclusions in this respect, as we were not a political liaison office, but a purely technical one. Members of the Economic Research Department [VOWI] probably knew about these events, and also members of the Political-Economic Policy Department [WIPO]. However, owing to the existing tension between the commercial people and the technicians, I never took the opportunity to discuss these things with them.

* * * * * * *

13. The mobilization plans were constantly being reviewed by the Vermittlungsstelle W and the Wehrmacht, especially as the Wehrmacht kept changing its plans.

I have carefully read each of the six pages of this affidavit and countersigned it with my own hand, have made the necessary corrections in my own handwriting and initialed them, and I herewith declare under oath that I have stated the full truth in this affidavit to the best of my knowledge and belief.

[Signed] DR. HANS WAGNER

d. Extracts from the Testimony of Prosecution Witness Hans Wagner*

CROSS-EXAMINATION

* * * * * * *

DR. BOETTCHER (counsel for defendant Krauch): I now am turning to Exhibit 247, which you will find in book 9, English page 57. Here I am particularly interested in paragraph 3—I beg your pardon, it is paragraph 5. It says there:

> "* * * the IG developed complete plans which laid down for each product the production plant, the processing plant, and other consumers."

Does the concept, "pioneer work," not signify for us Germans a particular type of work? I should say that the invention of "buna" was pioneer work, and I should therefore like to ask you whether this is a correct interpretation, and whether we are united in our interpretation of that term?

WITNESS WAGNER: Yes.

Q. The drawing up these plans was a well-ordered organizational task?

A. I was of the opinion—and I intended to express the opinion, which I gained from talks with my colleagues in Vermittlungstelle W—that the IG had shown for the first time how such plans had to be drawn up in order to make sense.

Q. Yes. Dr. Wagner, didn't that follow from the fact that if the IG was active in a field as such, this field had its significance for the construction of the organization generally?

A. Yes, that is no doubt true. But in the beginning, these plans were always drawn up for a single plant so that there were many difficulties and mistakes, and only when it had been exhaustively worked out was it possible to draw up plans which could secure definite production.

* * * * * * *

BY DR. LUMMERT (counsel for defendant Kuehne): Witness, I have a question in connection with your affidavit NI–8925. You will find that in German document book 9, on page 57 in the English. May I ask you if you have this affidavit before you?

A. Yes, I have it here.

Q. In this affidavit you are speaking of mobilization plans. Four different expressions are used in the German text. In the English translation, there are five different expressions. The

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* Complete testimony is recorded in the mimeographed transcript, 9 September and 8 October 1947, pp. 549–622; and 1794–1821.

German expressions are: "Mob Plaene," "Mobbelegungsplaene," "Belegungsplaene," and "Fabrikationsplaene." The English translations: "mobilization plans," "mobilization executives," "mobilization production schemes," "production schemes," and "production plans." My question is the following: Does any difference and distinction exist in those terms, or is it all the same meaning?

A. In all cases it means the same thing. The purest expression is probably mobilization executive [production] plans.

Q. Do you know what the contents of these Mobbelegungsplaene were? Did you refer to production in case of war, or what did you refer to?

A. According to my recollection, the mobilization executive plan gives instructions to the plant in question, from a period of time to be determined, to produce only those products listed in the plan.

Q. If I understand you correctly, the mobilization executive plans, as you call them, determined the production of the plants in case of war?

A. The expression "in case of war" was not used, as far as I know. We only spoke of the mobilization or A-case [A-Fall]; but the mobilization executive plan contained binding rules on production in that case.

Q. Very well. Thank you. This morning when giving your testimony you stated that the plants knew about this mobilization plan. Now I'm asking you, what was the interest of the plant managers in these mobilization plans? As far as you know, to put it more specifically, did the plant managers desire to know what their plants were going to produce in case of mobilization, or to what extent their production was going to be maintained; or what actually was the interest of these plant managers?

A. To my knowledge, they were interested in learning what they could produce in case of mobilization, and whether or not the raw materials and half-finished products and workers necessary for such production would have to be secured.

Q. If I understood you correctly, you are saying that the interest of the plant managers was mainly based on an interest in their plants?

A. Yes, in my opinion that is correct.

Q. Was there any interest in war, as far as you know?

A. No, I do not believe so.

Q. Would you say that this was certainly not the case?

A. I believe I can say yes.

* * * * * * *

3. TWO AFFIDAVITS OF DEFENDANT VON SCHNITZLER

[Statement from the judgment concerning the personal history, positions and affiliations of defendant Georg von Schnitzler:

"*Von Schnitzler, Georg*: Born 28 October 1884, Cologne. Lawyer. 1926–1945 member of Vorstand; 1926–1938 member of Working Committee; 1930–1945 member of Central Committee; 1929–1945 guest attendant of Technical Committee; 1937–1945 chairman of Commercial Committee; 1930–1945 chief of Dyestuffs Sales Combine; various periods between 1926 and 1945, member of other Farben committees, etc.

"Member of Nazi Party; Captain of SA ('Sturmabteilung' of the Nazi Party); member of German Labor Front; member of Nazi Automobile Association (part of the SA); Military Economy Leader; member of Greater Advisory Council, Reich Group Industry; deputy chairman, Economic Group Chemical Industry; vice president, Court of Arbitration, International Chamber of Commerce; chairman, Council for Propaganda of German Economy; chairman of Aufsichtsrat, Chemische Werke Aussig-Falkenau, Aussig, Czechoslovakia; member of Aufsichtsrat, Francolor, Paris; officer or member of Aufsichtsrat of other Farben affiliates in Spain and Italy."]

The majority and concurring opinions on crimes against peace were of diametrically opposed views with respect to the pretrial statements of Defendant von Schnitzler in a number of respects. The majority opinion stated:

> "Von Schnitzler has been in confinement since he was arrested on 7 May 1945. He was interrogated many times during the course of his imprisonment. His utterances, some of great length, appear in forty-five written statements, affidavits and interrogations, a number of which have been introduced in evidence. His counsel sought to have all of these statements stricken upon the ground that they were given under threats, duress, and coercion. He claimed that his client had been mistreated, insulted, and humiliated while in prison, and that this treatment resulted in his mental confusion to the extent that he eagerly cooperated with the interrogators in the hope of better treatment and with considerable disregard in many instances for actual facts. We do not think that the showing discloses such duress as would warrant us in excluding this evidence upon the ground that the statements were involuntary, although the circumstances under which they were given undoubtedly greatly depreciate their probative value. The statements themselves disclose that von Schnitzler was seriously disturbed and no doubt somewhat mentally confused by the calamities that had befallen Germany, his firm of Farben, and himself personally. He was extremely voluble. He talked and gave statements in writing to his interrogators with seeming eagerness and in such detail as to both facts and conclusions, that we regard selected passages that contain

seemingly damaging recitals as having questionable evidentiary value. Some of his later statements change and purport to correct former ones. His eagerness to tell his interrogators what he thought they wanted to know and hear is apparent throughout; as for instance, this statement which has been emphasized by the prosecution: In June or July 1939, I.G. Farben and all heavy industries well knew that Hitler had decided to invade Poland if Poland would not accept his demands.

"Von Schnitzler did not take the witness stand. Pursuant to a ruling of this Tribunal during the course of the trial, his statements are evidence only as to the maker, and are excluded from consideration in determining the guilt or innocence of other defendants. Aside from these statements, the evidence against von Schnitzler does not approach that required to establish guilty knowledge." *

Judge Hebert, in his concurring opinion on aggressive war, stated the following about the affidavits of defendant von Schnitzler:

"The defendant von Schnitzler's pretrial affidavits and interrogations contain some of the most damaging evidence on the subject of state of mind of the defendants. Under a ruling of the Tribunal, in which the undersigned did not concur, the effect of von Schnitzler's statements is limited to von Schntizler himself, as he did not take the stand to testify.

(Here Judge Hebert quoted a number of statements from the pretrial affidavit) * * *.

"The majority opinion concludes that von Schnitzler's affidavits are not entitled to great weight because he was mentally upset and after numerous interrogations, in the view of the majority, was saying what his interrogators obviously wanted to hear. The case was tried on the theory that von Schnitzler's affidavits would be evidence only against him if he should refuse to testify in his own behalf. The ruling of the Tribunal in this regard was tantamount to an open invitation to him to exercise his privilege of not testifying in the interest of his codefendants. Its result was to deprive the Tribunal of the opportunity through the examination of von Schnitzler in open court to determine his credibility and to judge more intelligently what weight should be attached to these pretrial statements. I disagree with this erroneous procedural ruling of the Tri-

* See section XIII, volume VIII, this series.

bunal, and have previously expressed my dissent therefrom based on the provisions of Military Government Ordinance No. 7. But the ruling was made early in the presentation of the evidence for the defense, and the defendants, relying on the ruling, may possibly have been led into not presenting additional counterevidence. Justice requires, therefore, that the ruling be respected for the purposes of final judgment, as the strategy of the case was fashioned on that theory. There remains the question of the weight to be attached to von Schnitzler's statements as evidence against von Schnitzler himself. Being deprived of the benefit of any examination of this defendant in open court, and faced with his attempts at correction and retraction, I conclude that the incriminating statements made by von Schnitzler should not be accorded weight sufficient for a conviction in his case. I reach this conclusion not without misgivings. In all pretrial interrogations, von Schnitzler apparently talked so willingly and his statements, obviously not under duress, were so complete as to raise question as to the extent to which he would retract or repudiate them upon final exhaustive examination by counsel before the Tribunal. But in the present state of the record, I do not feel warranted in expressing dissent as to the acquittal of von Schnitzler on the basis of his affidavits and interrogations."*

PARTIAL COPY OF DOCUMENT NI-5191
PROSECUTION EXHIBIT 39

EXTRACTS FROM AN AFFIDAVIT OF DEFENDANT VON SCHNITZLER, 4 MARCH 1947

I, Georg von Schnitzler, member of the Vorstand of I.G. Farbenindustrie from 1925 until 1945, after having been warned that I will be liable to punishment for making a false statement, herewith state the following under oath of my own free will and without coercion.

1. I was living near Frankfurt, Germany, in late March 1945 when the American Armed Forces occupied the area. I was taken into custody on 7 May 1945 by the American authorities, and I have remained in detention ever since that time, except for three periods when I was granted authority to be with my wife under house arrest. During the period from May until the late fall of 1945, I was regularly questioned by American and Allied investigators, particularly by the American investigators, Mr. Ritchin, Mr. Weisbrodt, Mr. Glaser, Mr. Linville, Mr. Hollander, and Mr.

* See section XIV, volume VIII, this series.

Devine. During this period of investigation I was ordinarily brought from Preungesheim prison in Frankfurt, Germany, to the Reichsbank building in Frankfurt nearly every day, along with a number of other former officials of the I.G. Farbenindustrie. There I and the other officials were asked to give information concerning the history of the I.G. Farbenindustrie and other matters, either through interrogations or by writing up or dictating various statements concerning topics which were given to us by one or more of the investigators.

2. It has always been my intention to give the truth, according to the best of my knowledge and belief, to the Allied investigators. I never intentionally gave false information of any kind. The relationship between the investigators and me in Frankfurt during 1945 was very free and open and very cordial. On a number of occasions, I felt that I was mistreated in the jail because of the dislike which certain of the soldiers had for me. When I reported some of these incidents to the investigators they interceded on my behalf with some success, and sometimes without success. The investigators generally stated that they wanted me to give my best recollection of events without access to documents. Except for a few occasions when my recollection was refreshed by being shown a document, the statements I made and the interrogations to which I subscribed were based entirely upon my recollection and belief as of the time I was interrogated and made the particular statements. At no time during the investigations of 1945 was I prevented from correcting any statements which I made if thereafter I thought I had made an error. The typewritten statements which I signed were made in the following manner: I would first be asked to give information on a certain topic. Thereafter I would go to a room where I could be alone and write up the matter in longhand, or else make longhand notes which I later used as a basis for dictating a statement to a German or American stenographer who took English stenography. Sometimes it took me less than a day to write up some of the statements. With some of the longer statements, however, it took me as long as 3 days to complete them. After the stenographer or typist reduced the statement to writing, I went over the statement to make any corrections, and then certified to the truth of the statement. The records of the interrogations were made as follows: Sometimes the questions and answers were immediately reduced to writing as originally made. Sometimes, after a period of discussion between the interrogator and me, a question or answer would be written down for the record which summarized the results of the matter discussed. Whichever of these methods was followed in these interrogations, I thereafter went

over the written record of the interrogation to correct any errors, and thereafter certified to the truth of the matters stated in the interrogation. In October I was removed from prison and placed under house arrest, and thereafter rearrested again. Mr. Edelman, CIC Finance Chief, informed me this was done on orders of higher headquarters because I was in the category of mandatory arrest. At that time I was informed in writing by Mr. Devine that the reason for my further imprisonment was not because of any failure to cooperate with the American authorities. This same letter states that my "assistance from an information-gathering standpoint has been invaluable."

3. After these interrogations in 1945 were concluded I was detained in a number of prisons or detention camps along with leading officials of the I.G. Farbenindustrie. After discussing with my colleagues a number of matters concerning which I had given information, I came to the conclusion that I gave some erroneous information to the investigators in 1945. In no instance do I feel that I gave erroneous information intentionally. What I stated and concluded in the statements and interrogations in 1945 represented the truth as I saw it then to the best of my recollection and belief. I account for any errors which I made entirely for the following reasons: After the collapse of Germany I was in a state of great mental depression. I felt clearly that the Hitler regime had caused the ruin of Germany and of a great deal of Europe. Under those circumstances, I associated some events together which I do not now feel should have been associated together in making some of the conclusions which I made. However, I was asked to give my recollection and my conclusions concerning a number of events which were connected with Farben in the technical or in other fields where my duties had not given me a full insight into the true facts and concerning which I could then, in 1945, obtain no assistance by reference to the files. What I stated to the investigators in 1945 was true to the best of my recollection and belief at that time. However, since then I have talked to some of my colleagues who were better informed of these matters than I was, and I must conclude I made certain errors which I certified as the truth to the Allied investigators.

4. Between 18 February 1947 and the present time, representatives of the Office of the Chief of Counsel for War Crimes showed me many of the statements and interrogations to which I had subscribed in 1945. I have been asked to point out any falsehoods or errors which I made in these statements or interrogations. I have stated to them under oath that I had made no false statements, because the statements I made were true to the best

of my knowledge and belief at the time that I made them in 1945. However, where I unintentionally made errors in those statements I have pointed out these errors. The errors I now find after rereading the statements or interrogations mentioned below are set forth below:

* * * * * * *

8. I have carefully read each of the eleven pages of this declaration and have placed my signature at the bottom of each page. I have made necessary corrections in my own handwriting and initialed each correction in the margin of the page. I declare herewith under oath that I have stated the full truth to the best of my knowledge and belief.

[Signed] GEORG VON SCHNITZLER

PARTIAL COPY OF DOCUMENT NI–5196
PROSECUTION EXHIBIT 40

EXTRACTS FROM AN AFFIDAVIT OF DEFENDANT GEORG VON SCHNITZLER, 18 MARCH 1947

I, Georg von Schnitzler, member of the Vorstand of I.G. Farbenindustrie from 1925 until 1945, after having been warned that I will be liable to punishment for making a false statement herewith state the following under oath of my own free will and without coercion.

1. In the first four paragraphs of my affidavit of 4 March 1947, [Document NI–5191, Prosecution Exhibit 39] which I swore to before a representative of the Office of Chief of Counsel for War Crimes, I have stated the true circumstances under which I gave information, by means of statements and interrogations, concerning the I.G. Farbenindustrie and other matters to Allied investigators in 1945. These four paragraphs should also be considered as an introduction to this affidavit.* Below I consider further statements or interrogations which I subscribed to during 1945, and which I have been shown and which I have re-read between 18 February 1947 and the present time. When I subscribed to these statements or interrogations in 1945, the matters to which I subscribed were true to the best of my knowledge and belief at that time. The errors I now find after re-reading the statements or interrogations mentioned below are set forth below after the text of each of the statements or interrogations.

2. On 8 August 1945 I signed an eleven-page statement covering many points in the development of the I.G. Farbenindustrie

* These first four paragraphs and the concluding paragraph of the affidavit incorporated by reference have been reproduced immediately above.

during the Nazi Regime. I worked on this statement for two or three days in seclusion in Frankfurt in August 1945 and wrote it up in longhand. After the statement was typed up from my longhand original, I signed and certified to the truth of the typewritten statement. The text follows:

"The I.G. by force had to follow the general development in Germany. Whatever government ruled Germany, the key position of the I.G. in the whole chemical field, undisputed since I.G.'s foundation in 1925, had to play, and always played the decisive role in everything which was connected with chemistry. I remember a remark of Stresemann, made to me in 1927: 'What have I as a trump in my hands apart of you, the I.G., and the coal people?' That I.G. would follow a line which was not in conformity with the line of the government was simply unimaginable, and that I.G. could refract [refrain] from an order given by the government, or take the attitude of an open or clandestine opposition, was out of question—even at a time when Germany was a democratic state and government measures could be openly criticised.

"Thus I.G. was 'government' under Stresemann, as well as under Bruening, as under Papen.

"When Hitler legally came to power, instituted by old Reichspresident von Hindenburg, in the beginning the attitude of I.G. in regard of the Nazi government was simply the continuation of the attitude I.G. had taken *vis-à-vis* former governments. But very soon it became evident that the Nazi regime, which had started as a coalition government together with Deutsch-Nationale-Volkspartei [German National People's Party]—which latter party had 3 ministers in the Cabinet—intended to go quite different ways from former governments, and by and by we learned what a totalitarian state meant in reality, and what consequence that had for us.

"The Party claimed all power for itself. 'Die Partei befiehlt dem Staat'—'The Party Gives its orders to the state' was the official device [slogan] and the state is the instrument through which the totality of its inhabitants is ruled.

"No political influence of professional groups was any more tolerated and, in short, I. G. found itself entirely devoid of all political influence. This state of things in no way was regarded as satisfactory, and without a special order given in that direction, a large-scale subvention action was started. From the local little bosses up to Hermann Goering personally, under the most varied names and through the most varied channels, bigger and smaller sums were being given to the Party, all with

the aim to creating a better atmosphere, because very radical ideas in certain Party circles about the 'Gross-Concerns' [large corporations], and particularly about the I.G., were common opinion.

"The money was being taken, but the result was more or less null, and up to the last time of the war I.G. always was suspected to be 'a state in the state,' and the dismemberment of I.G. never left the clandestine Party program. On the other hand, the Party in the form of 'Adolf-Hitler Spende' [Fund] and 'Winterhilfswerk'—W.H.W.,* and many other ways, converted the subventions given formerly as a sort of bribery into a legal claim.

"When Hitler came to power he had promised to the masses the end of unemployment, and he put this part of this program in the foreground.

"In order to create work, the industry had to get orders, and I.G. undoubtedly was one of the first ones to have advantages of it. As foreign currency was scarce—the great crash of 1931 lay only 2 years behind—an interior [domestic] market had to be created, and products which had before been imported had now to be manufactured in Germany—with the double aim, to save the foreign currency necessary for the import of textiles, metals, food, et cetera, and at the same time give additional work to German workmen. Thus, now 12 years later, it is difficult to ascertain if the beginning of the 'rearmament' movement was rightout started as a military measure, or if the first phase till the end of 1936 was not a primarily economic one insofar as the production of synthetic oil, synthetic rubber, rayon, synthetic fibres, and so forth was not only fostered to get materials for warfare, but in order to make Germany, in those products, self-supporting and save the foreign currency for their importation.

"The policy of 'autarchy' and 'rearmament' was so closely interconnected with one another that it really represents unsurmountable difficulties to distinguish which element of both was the prevalent one.

"However it was, I.G. very soon profited by it, and whereas in 1932 I.G.'s total expenditure for new plants and equipment was, I think, only 10–12 million marks, it climbed in the years 1934–1936 rapidly, and from thereon took a raging trend.

"The technical possibilities being involved in that trend had undoubtedly a great fascination upon our technical people. Plans for which they could not see any practical realization as

* Winterhilfswerk (WHW)—Winter Relief Organization.

long as a normal economy existed, became realizable, and the most fascinating prospects seemed to lie in the future. That this development in the last must lead (1) to impoverishment that means to a lowering of the standard of living, (2) to war, nobody did, or wanted to, realize. Even a man so strictly opposed to the Nazi regime as Dr. Bosch, who was the only one who once has dared to openly contradict Hitler—with disastrous result by the way, as I later on was told—had no hesitation to put Krauch at Goering's disposition, when being asked for a high-ranking chemist who should take over the leadership of 'Amt fuer Wirtschaftsausbau' [Office for Economic Development], and Bosch was a convinced democrat, a convinced partisan of a peace policy.

"The whole development of I.G. in the years beginning with 1934, and accelerated since the end of 1936, is entirely due to the close teamwork with government and Wehrmacht.

"The export trade remained stationary at some 400-450 million marks and the buying capacity of the civil population was not highered (raised) as the nominally higher incomes *in toto* were counterbalanced by a loss in the so-called 'Realeinkommen' [real income] and higher taxes.

"Practically the whole augmentation in the turnover of I.G. from a little over 1 billion marks to 3 billions in 1943 is a 100 percent result of the rearmament and the war policy of the German Government.

"The totality of buna, of metals, of high-octane oil, of most chemicals, at least two-thirds of the nitrogen, and a great percentage of dyestuffs and pharmaceuticals, went directly or indirectly to the Wehrmacht. A high percentage of this turnover from the very beginning was more or less guaranteed by the Wehrmacht. Agreements of the most different kinds were being concluded, but nearly all were based on solid ground insofar as the Reich guaranteed the amortization (light metals) or had arranged for a protective duty (oil, buna), or prescribed the use for the consuming industry (synthetic fibre). The result always was identical; after a certain time the factories became, or should become I.G.'s unburdened property. This latter result could be achieved with a raised rapidity with the so-called Ostwerke where the whole equipment could be amortized in the year of its investment, provided that the owner made sufficient profits in the whole.

"The direct consequence hereof was that I.G., notwithstanding that it spent some 500 million marks in the average of the last years, had not substantially to augment its capital, and that I.G.'s balance sheet under 'plants and equipment' shows a

practically unchanged figure. This state of things and the apparent splendid situation of I.G.'s balance, weakened the central administration. Young and active technicians like Ambros, Buetefisch, Wurster, but even men in positions not ranking as high, like Altwicker and Ziegler in Bitterfeld (in the metal field), handled, on their own, problems of the greatest importance, engaged I.G. in always greater commitments. They used the word 'Auflage'[1]—'impost' of Wehrmachsstelle X,[2] but sometimes it never became quite clear if our technical men themselves had not deliberately induced the Wehrmacht to the 'Auflage.' The central administration registered the facts, when it came to the settlement of the expenses, but had very little to say in the matter. To a large extent Krauch's Office was a governing factor in these relations, as the 'Amt' [Office] under Goering's responsibility in the domains reserved to it, decided what quantities and where the respective production should be erected. In Sparte I, Dr. Buetefisch took the lead in this direction and practically rounded out Dr. Schneider in the oil field, but Dr. Mueller-Cunradi, in close contact with Dr. Krauch, did the same in different domains being connected with Oppau and including the whole high-pressure field with the exception of the oil—but still Dr. Mueller-Cunradi, being in charge of the new works in Heydebreck, was hereby the head of the so-called Tannol-Anlage [installation], which to the best of my knowledge represented a new high octane fuel. A similar development took place in Sparte II. Dr. Ambros and Dr. Wurster, as well as the chemists in Bitterfeld, here mostly in the metal field, but in some other domains of chemistry destined for warfare just as well, became entirely independent of the 'Spartenleitung [Sparte management] and acted immediately with the different authorities of the Wehrmacht.

"But things were very complicated in such a sense as the Wehrmacht had 3 or 4 quite independent departments, and apart of the Wehrmacht, [the] Reichtswirtschaftsministerium [Ministry of Economics] and Reichsbeauftragter Chemie [Reich Plenipotentiary for Chemistry] had many functions reserved to them.

"Between [the] Reichsbeauftragter Chemie (Dr. Ungewitter) and Dr. Krauch, quarrelling never ceased, as overlapping of authority happened all the time.

"In the last phase of the war following ideas of President Kehrl of the Reichswirtschaftsministerium, the organization of the 'Gewerbliche Wirtschaft' [industrial economy] became en-

[1] See item c of the document for a detailed explanation of *Auflage*.
[2] Meaning any office of the Armed Forces.

titled to act to a large extent as a decisive factor, and in principle a corporative system was in full creation. The result for I.G. was—although I.G. men generally were not being put in the foreground because President Kehrl was in strong opposition against I.G.—that the overwhelming technical position of I.G. rendered it the deciding factor.

"As an example, I only may cite Dr. Wurster's activity—he indeed was put in the foreground—in the field of sulfur and sulfuric acid, who, in fact, ruled that important item of warfare chemistry with sovereignty. This system of corporative development was neither invented nor in principle fostered by I.G., but the facts were stronger than Mr. Kehrl's ideas, and the industrial potential of I.G. became bigger and bigger.

"Surely personal ambition and the pleasure of expanding, mostly of the younger chemists played its role in that development, but on the whole, it was [a] natural consequence of war becoming more and more 'total' and because nobody else than I.G. could handle those problems.

"The combination of highly qualified chemists, big laboratories, an enormous potential of patents and experiences, and a great financial capacity was too strong, as not always being the decisive factor to I.G.'s advantage whenever a problem arose which had to be solved.

"Apart of this technical situation, the development of I.G. during the last 12 years can't be separated from the government's foreign policy.

"From the very beginning it was the government's intention to make the 'Mitteleuropaeische Raum' [Central European area] as far as possible self-supporting, and to direct German import from overseas to the Continent. Intensifying trade relations to the South and the Southeast of Europe, even at the price of material sacrifices, was the *mot d'ordre'* [slogan] ; the next one was the intensification of the South America business on the basis of barter trading in order to get from there the products which were not available any more for Germany in the U.S., as the Reichsbank did not dispose of the necessary dollars. Although I.G. was not in the least a partisan of this policy, and would have preferred to develop its great international business on the line of a 'most favored nation' basis, it had to follow the new trend—on the simple reason that there did not exist any other possibility. Occasional suggestions in order to get a better stand were successful in the case of England, for instance, but on the whole, the official policy was carried through without giving the export industry a chance to intervene. During the year from 1933 to 1937, I.G.'s expansion outside of Ger-

many did not make a substantial progress. It kept up its position and its participations, but very little, as far as I can recollect, had or could have been done or was added to it in entirely new investments; but what has been done, did not yet happen in the S.E. [Southeastern] countries, but in the countries of I.G.'s old established industrial activities in the Anglo-Saxon and Latin countries; in England, for instance, the foundation of the British Magnesium Co. A complete change took place since 1938. First, by purely private negotiations, of course with the approval of the government, with I.C.I.* an important agreement was being concluded, the foundation of the Trafford Park Chemical Co.

"Much greater problems, however, had to be approached by the incorporation of Austria and Sudetenland into Germany, with the creation of the so-called 'Gross-Deutschland' [Greater Germany]."

[The statement continues with a description of the acquisition of participations in Austrian and Czechoslovakian plants, the Auschwitz plant in Upper Silesia, the production of poison gas, the acquisitions of plants in Poland and participations in Norway, the "New Order" planning in the summer of 1940, and the acquisition of participations in France]

* * * * * * *

"On the whole, in all these countries as well as in the planning for a future industrialization of the southeast, I.G. fostered everywhere the industrial evolution with its patents, experiences and know-how and, as far as the government allowed it to do so, also with capital. The men who did the actual work mostly did not even think of the political meaning of this development in the direction of 'European Grossraum-Wirtschaft' [planned economy], and even inside I.G.'s Vorstand that was often forgotten. Words like 'rule' and 'dominate' were never used, and I am sure that all these people having worked with I.G. in Spain and France, in Norway and Finland, in the Southeast as well as in Italy, have not had the feeling of being pressed or looted. On the contrary, they nearly all had personal profits of this collaboration and were after us to intensify our help. Dozen of files will and can prove that.

"Coming back to the general policy: Undoubtedly IG had not only followed the government's 'Grossraum-Politik' [expansionist policy] but had drawn substantial profit out of it. In figures, as they appear on the balance sheet, an enormous progress has been made. As the export figures in the whole remained unchanged and only a displacement from overseas to the European Continent took place, the turnover in the so-

* Imperial Chemical Industries, Ltd.

called 'Gross-Deutschland' up to the end of 1943 reached nearly four times the size of 1932. Only part of it could be considered as being a perpetual asset. In buna, in synthetic fibres and their raw materials and intermediates, in light metals, and in hydrogenation, many installations to a large extent are to be understood as war-dependent, but as a consequence of the close interdependency of autarchy and rearmament a great deal of the investments made under the Four Year Plan could be considered as valuable even under a complete peace policy. May I give as an example the 'Nitrogen'. The total German capacity should be—the destruction by air raids not being taken into account—about 1,000,000 tons of 'N'. I.G.'s prewar share in 'N' was about 70 percent. One generally estimated that for agricultural purposes in Gross-Deutschland, nearly 700,000 tons of 'N' were needed. Thus with all the possibilities in the development of the 'technical Nitrogene,' [sic] the remaining 300,000 tons should have found a secure market—even without having to press on a forced export! The enormous amortizations which I.G. had been able to carry through would have given it an easy possibility of a revalorization of its assets without having to lower the figures of its investments as participation on the balance sheet of the so-called 'Handelsbilanz' [balance of trade].

"Summarizing this part of I.G.'s activity: The close teamwork with government and Wehrmacht in the joint endeavor to make Germany to a large extent autarchic and rearm her, involved a great amplification of I.G.'s potential and at the same time a substantial increase of her balance figures.

"The collaboration with the Wehrmacht followed two additional lines. In order to keep up a continuous contact in 1934, the Vermittlungsstelle W in Berlin was founded; in 1936 the so-called Abwehr-Delegierten [counter-intelligence representatives] were being designated. The Wehrmacht insisted on the highest secrecy of all its plans and let all people being in charge of planning, or of executing rearmament work, swear that they never let other people know what had been divulged to them in connection with their activity for Wehrmacht purposes. This had gone so far that, for instance, when Dr. Paul Mueller of Dynamit A.G. in 1937 lead the members of Z.A.* of IG over the Dynamit plant in Troisdorf, he refracted [refrained] from showing to them entire departments saying, 'this is under strictest secrecy.' Every infringement would have been punished with high penalties of hard labor. So practically everybody of

* The Zentral Ausschuss: Central Committee of the Vorstand.

the high-ranking staff was in such a way sworn in, the survey of what IG really did make or not make for the Wehrmacht become more and more a pure guesswork, and one abstained of asking in order not to put one's technical colleagues in a difficult position. How far Schmitz himself was informed, who had the last responsibility for the balance figures, I am unable to say. My impression was that even he had only partly a more profound knowledge of what really happened, and that a full picture of what had been done can only be got when one has heard every single one of the high-ranking IG technical leaders, and not only the Vorstands-Mitglieder[1] but also most of the Direktors and Prokurists just as well.

"But speaking of responsibilities in general, Schmitz was responsible insofar as he was in charge of the distribution of the different domains of activity to the individual 'Vorstands-Mitglieder.' Thus each Vorstand-Mitglied, in the case of having to take a graver and far-reaching decision, was bound to report about it to the chairman, that means to Schmitz.

"Independently of Abwehr [counterintelligence] and Vermittlungsstelle W, the Wehrmacht engaged IG in active help by asking it to get news out of Axis and neutral countries. I reported on that matter in a former statement. IG put its means at the disposition of the Wehrmacht but it was understood that IG people whenever they were asked for such help, had not to enter the typically military espionage but only had to report about economic matters in the largest sense. How far the Wehrmacht had made use of IG's readiness to participate in this service can only be guessed by the satisfaction explained by OKW of what had been done, every individual man acting under secrecy and being prohibited of speaking about it under highest penalties.

"A further teamwork between Wehrmacht and IG developed under the heading M-Fragen [mobilization questions]. This comprised all personal [personnel] questions regarding men to be made free from service, special plans for the distributions of key commodities to the different branches of I.G.'s technical activity, and the so-called 'Kriegsspiele,'[2] furthermore all questions arising in the military field, eventually not covered by the different activities I have mentioned before.

"As I stated in the beginning of this report, since 1934 the Wehrmacht first being only an additional factor to the relations having always existed between IG and the different Min-

[1] Members of Farben's Managing Board.
[2] "War games." See subsection J, "Air Raid Precautions," above.

isterien [ministries] more and more developed to be the decisive, or at least the most important factor.

"The Nazi government acted on I.G.'s business through these different Ministerien, but the Party itself interfered continuously in the following two directions:

"(1) After having dissolved all trade unions, associations of employers and so on, the so-called Deutsche Arbeitsfront [German Labor Front] was constituted. Everybody practically had to participate in it, it became the decisive factor for the handling of all personal [sic] problems and found its legal basis in the law 'Zur Ordnung der nationalen Arbeit' [Law for the Regulation of National Labor]. By this law, the responsibility of the owner or undertaker of the Co. was not altered insofar as the conduction of the business and the fulfillment of its financial obligations was concerned, but rules for the interior functioning were established which had to be strictly observed. Based on that law, and in connection with the so-called Nuernberger Gesetze,[1] the Party exercised a continuous pressure on all IG organizations to fulfill all the clauses of the Party program, particularly the Nuernberger Gesetze.

"Whilst IG was a compliant partner in regard to all demands of the Wehrmacht, it tried to refract[2] with all means from this latter intervention into its relations with its leading as well as the other personnel. For years it maintained all its Jewish employees, to begin with, Messrs. von Weinberg and Mr. von Simson, being members of the then still existing Verwaltungsrat, the highest institution of IG (a committee of the Aufsichtsrat) on their post and did not dismiss a single one of these individuals, before his living abroad was guaranteed. Thus Mr. Flechtheim, Mr. von Simson, Mr. Kalisches, Mr. Hummel, Mr. Carl von Weinberg, whenever at last it became necessary to suggest to them to leave Germany, it has taken care of them in such a way that they had not to endure emergency. Only Mr. Arthur v. Weinberg, who always had believed that they would except him and some other men like Karf, for whom a prepared situation in England in the last moment did not materialize because the owner of that firm retracted or retired, became victims.

"The Party resented that attitude and gave IG continuous warnings that IG was not fulfilling the obligations incumbent to it and a state of tension always subsisted.

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[1] "The Nuernberg Laws" were approved at the Nuernberg Party Rally in 1935, and included laws for the "protection of German blood and honor," the Citizenship Law, and the National Flag Act.

[2] See item *j*, this document, for amplification of "refract."

"The same attitude was that being taken by the A.O.[1] of the Party in regard to the foreign representatives. In the first years practically nothing had been done on IG's side to alter anything in the existing conditions. By and by, by friendly negotiations and with lump sums generously fixed to satisfy them financially, IG had to sever the connection with those representatives, but when going over the files one will recognize that IG, in every case, tried to do its utmost to protect the men who had loyally served it and whom IG would never have dismissed if not this hard pressure would have been exercised upon it. That a company at last has to obey its government's orders is inevitable, but IG by conviction has always done its best to create as little hardship as possible, and often only could get the Government's and the A.O.'s approval to the agreements with these employees by pretending that an ungenerous attitude on the side of IG would damage its international prestige. IG was driven from A.O. from concession to concession, and the agreement made by Mr. Waibel with A.O. in autumn 1937 that, in the future, only such young men would be sent out who, first, belonged to the D.A.F.[2] and second, were ready to participate in the meetings, and so on, on the spot was a compromise on long negotiations by which Mr. Waibel succeeded that at least upon the "old" men on the spot the pressure was lowered.

"Altogether those relations and negotiations with D.A.F. and A.O. remained and were always a most unpleasant chapter in IG's activity, but one may not forget that all the power was with the Party and IG always was in the position of the defendant.

"Apart of these two main domains of Party activity, the Gauleiters [regional Party leaders] interfered continuously in local questions but seldom in direct business, mostly in personal [personnel] questions and then generally in the favor of such employees who were being considered as "confidential men."

"But up to the last time, I.G. could refract from taking any typical Party men on [into the] Vorstand or Aufsichtsrat, a fact which should not be overlooked, as pressure from the most different sides in this direction never has ceased. Gauleiter Sprenger[3] for instance always hinted at Avieny of Metall-Gesellschaft becoming [a] member of the Aufsichtsrat.

"I stated at the beginning of this report that *after* Hitler

[1] Auslands-Organization, the Foreign Organization of the Nazi Party.
[2] Deutsche Arbeitsfront, the German Labor Front.
[3] Party chief for Hesse-Nassau (Frankfurt).

had come to power and *before* the *official subventions* of Adolf Hitler-Spende and W.H.W. had been inaugurated, subventions of the most different kind had to be given and were given. I had never heard that IG, before 1933, had fostered NSDAP financially, as IG had always done with the so-called "bourgeois-parties.' I considered this as improbable, as Dr. Kalle who presided [over] the committee being charged with these questions always was strongly opposed against the Nazi Party. If notwithstanding, this had been done in 1932, Geheimrat Schmitz only can explain it, the question never having come to a discussion in the Zentral-Ausschuss.

"To summarize, the following must be stated:

"(1) With the growing of the military interest in the government's program IG's relations to the Wehrmacht firstly became an additional factor in IG's official relations to the different other ministries, by and by the Wehrmacht became by far the most important one, and with the beginning of the Four Year Plan the investment policy of IG was not to be separated any more from the policy of the Wehrmacht. Nearly all investments were made directly or indirectly for the Wehrmacht. IG was on the whole a loyal and complaisant partner of the Wehrmacht. That the Wehrmacht was not a typical Nazi institution and only followed itself in material,* the line prescribed by the Party is well known. The higher officers doing their duty as law-abiding officers were not Nazis by conviction; they have proved it on 20 July 1944.

"(2) IG followed the 'Grossraum-Politik' of the government because there was no other economic policy to be made.

"That IG itself would have preferred a policy of 'most favored nation treatment' and 'world-wide trade' became a pure theory and could not lead to any real consequences.

"(3) In the handling with party matters, IG acted after the policy 'muddling through,' with the result that in the last it always had to yield.

"(4) Thus in acting as it had done, the IG contracted a great responsibility and constituted a substantial and (in the chemical domain) decisive help to Hitler's foreign policy, which led to war and to the ruin of Germany.

"(5) Thus I must conclude that IG is largely responsible for Hitler's policy.

Frankfurt, 8 August 1945.

[Signed] G. VON SCHNITZLER."

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* See item 1 of this document (below), for amplification of "in material."

This statement still appears to me to be entirely true to the best of my knowledge and belief, except that:

(*a*) Generally speaking, it does not sufficiently separate the pre-war from the war period.

(*b*) At page two, paragraph 4, it was erroneous to say that "The whole development of IG, in the years beginning with 1934 and accelerated since the end of 1936, is entirely due to the close teamwork with government and Wehrmacht." I would say now that this development "is due to the development of chemistry in general, to autarchy, to rearmament, and, finally, to the war itself." I would now make the same qualification to the sixth paragraph on page 2, where I said the whole augmentation of IG's turnover "is a 100 percent result of the rearmament and the war policy of the German Government."

(*c*) In the last paragraph on page 2, I meant no reproach against the technical men of IG when I said "It never became quite clear if our technical men themselves had not deliberately induced the Wehrmacht to that "Auflage." An "Auflage" was more or less an order to, or imposition of a task upon, a concern or plant by the Wehrmacht. In working upon the "Auflage" as teamworkers with the Wehrmacht, IG's technical men had the opportunity to suggest modifications of an old "Auflage" or to suggest a further project which later became an "Auflage."

(*d*) At the top of page 3, I should qualify the statement that the various plants became independent of the leadership of the Sparte heads and acted directly with the different Wehrmacht authorities. This result came completely to a head only after the war began, although it began as early as 1938, particularly after the Anschluss in March 1938.

[Items (*e*), (*f*), and (*g*) refer to parts of the 1945 statement which have not been reproduced herein and consequently these items have also been omitted]

(*h*) On page 9, second full paragraph, the reports of the Vermittlungsstelle W and the sales organizations to the Abwehr were reports about economic matters which IG acquired in the normal course of business. It was not a typical military espionage. Of course, where the Wehrmacht chose and engaged an individual of our sales organizations for its special purposes, IG could not influence that and the individual was sworn to secrecy. It only became evident that an IG representative abroad had Abwehr duties when we sought to recall the man or to free him for military service, and then came a general order that we should keep him. VOWI* must be dealt with separately, since the Wehrmacht

* Farben's Economic Research Department.

at first wanted to take over VOWI's entire organization at the beginning of the war and Dr. Kurt Krueger, then head of Berlin N.W.7, was at the same time mobilized as an officer with the Wehrmacht.

(*i*) On page 9, third paragraph from the bottom, I overstated by saying, without qualification, that the Wehrmacht became the decisive or at least the most important factor in IG's development. I should have said "during the war." The Wehrmacht War Ministry was an important agency after 1934, but between 1934 and 1939, the Ministry of Economics, and between 1936 and 1939, the Four Year Plan, were the principal agencies with which IG dealt. I might also point out that Hans Kehrl of the Ministry of Economics had, continuously, frictions with Krauch of the Four Year Plan.

(*j*) On page 10, paragraph 2, I believe the typist miscopied my longhand at one point. I wrote "refrain" and she typed "refract."

(*k*) On page 11, paragraph 3, subheading (1), I made a mistake due to my lack of more detailed knowledge of technical matters. The technical development of IG concerning buna, artificial fibres, and synthetic oil was not as dependent upon the Wehrmacht's intentions as I thought in 1945. As I have since found out by discussions with my technical colleagues, these matters were developed under the autarchy program with the Ministry of Economics and the Four Year Plan, and the Wehrmacht did not interfere at all. However, with magnesium, the Wehrmacht had a direct interest from the very beginning. In the other fields, the Wehrmacht only became by and by more interested and, of course, interested overwhelmingly when the war broke out.

(*l*) On page 11, paragraph 3, subheading (1), I said the Wehrmacht followed the party line "in material." I meant in the Latin "in materia"—or in the German "in der Sache, aber nicht in der Ueberzeugung," which can be translated "in the fact but not with conviction."

(*m*) On page 11, paragraph 3, subheadings (4) and (5), I must now make the following qualifications: I believe that I, and I.G. Farben as a whole have contracted a great responsibility before God in that our acts constituted a substantial help to Hitler's foreign policy. However, I did not mean that I accept any responsibility in the legal sense. To the best of my conviction, we never did anything unlawful against humanity. But we were in this terrible boat with Hitler, and since we have participated in handling this boat, we have a responsibility before God and consequently before mankind. I can explain this in the words of the "Matthaeus Evangelium" [Gospel of Matthew]: There are

two duties for a Christian, the love of God and the love for your neighbor. Concerning mankind, we acted against the love of our neighbor, and that is what I mean when I say we consequently have a responsibility before mankind. The last two paragraphs were inserted because I felt a moral, but not a legal responsibility, because IG had constributed a substantial, and in the chemical domain, a decisive, help to Hitler's foreign policy which led to war and to the ruin of Germany and Europe, by the mere fact that without a substantial chemical industry modern warfare is impossible. It would not have been possible to carry through in the years 1939 to 1945 without the potential of the chemical industry. By this I do not mean to indicate a graver moral responsibility for IG than I believe should also be accepted by other Germans or other German concerns who made a comparable contribution with the necessary implements of warfare in the broadest sense.

3. On 15 August 1945, Dr. Max Ilgner and I signed a one-page statement simply entitled "Statement," the text of which follows:

"Since 1936, IG officials, paid by IG and assisted by a large staff of technicians and personnel all paid by IG, planned for the Nazi government the rearmament phase in the chemical sector, with concentration on the building up of such war industries as magnesium, synthetic rubber, oils, etc. This was handled by the Reichsamt fuer Wirtschaftsausbau and the Generalbevollmaechtigter fuer Sonderfragen der Chemischen Erzeugung [Office for Economic Development and the Plenipotentiary General for Special Questions of Chemical Production] under Dr. Krauch.

[Signed] G. v. SCHNITZLER
[Signed] M. ILGNER."

"Frankfurt on the Main
15 August 1945."

This statement still appears to me to be entirely true and correct, except that I would now qualify it in two places as follows:

(*a*) For the words "The rearmament phase" I would substitute "the autarchy and rearmament phase."

(*b*) For the phrase "such war industries as magnesium, synthetic rubber, oils, et cetera," I would substitute the words "such industries as magnesium, synthetic rubber, oils, et cetera, which were important industries for the autarchy program and the rearmament program and which we also hoped would be economically workable under a peacetime regime."

4. On 21 August 1945, I signed a one-page statement entitled

"Statement re Mobilization in the Summer of 1938," the text of which follows:

"Since the peaceful invasion into Austria, the whole German country practically was on the foot of mobilization.

"This state of things became even more accentuated, when Hitler had entered into Prague and preparations for a campaign against Poland were started. Since July 1939, many of our employees and particularly the officers of the reserve of the so-called new army were called to their regiments and lined up on the Polish frontier.

"Simultaneously the industry was mobilized. Mobilization plans, what in the case of war was allowed or ordered to be produced, had a long time ago been prepared.

"These plans which, beginning with 1934, had been made up by individual firms in close teamwork with Wirtschaftsgruppe Chemie [Economic Group Chemistry] and the competent ministries—became effective in such a way, that Wigru [Economic Group] returned them to the individual firm with his [its] approval stamped on them.

"For my opinion, the respective plans had been handed over to the firms in the current of the summer 1939, mostly with the instruction that they should be applicable at the moment of the outbreak of the war. Thus the plan for dyestuffs, as far as I can remember, became effective the first of September. For some commodities of purely military character, as the so-called implements of war, the mobilization order must have become effective to a much earlier date.

"I should say, beginning with the spring of 1939, one after another of these latter products or objects has been put in the state of mobilization. The orders by Wigru-Chemie did not pass through the hands of the commercial administration; or they were sent straight to the producing works or passed through TEA-Buero [Office of the Technical Committee]. I myself was so firmly convinced that, at the last moment, an agreement about Danzig and the so-called Corridor would be reached, that I left Frankfurt about August 11th or 12th on a vacation trip by car with my wife and my unmarried daughter to Yugoslavia—and was called back about the 27th or 28th of August from Bled.

Frankfurt, 21 August 1945.

[Signed] G. VON SCHNITZLER."

This statement still appears to me to be entirely true and correct to the best of my knowledge and belief, except that:

(*a*) Instead of the word "mobilization" in the title, and in the

first paragraph, I would now use the word "preparedness." The mobilization (in the German "Mobilmachung") had been prepared, both personnel and war materials being mobilized in a certain sense, but the order placing the mobilization plans in final effect was not given until war broke out, as I have been informed since 1945. Therefore, the use of the word mobilization (mobilmachung in the German is a technical term) without qualification might be misleading.

(*b*) In the second line, first paragraph, I meant to use the word "footing" instead of the word "foot."

5. On 28 August 1945, I signed two one-page statements, the longer one entitled "Statement re 'Tense Situation' in Summer 1939" and the shorter one entitled simply "Statement by Dr. von Schnitzler." These statements are complementary and can be properly commented upon together. The text of each follows:

"28 August 1945

"Statement by Dr. von Schnitzler

"I would say that in my capacity as Deputy Chairman of the Wirtschaftsgruppe Chemie I had occasion to meet with Mr. Ungewitter at least once a month in Berlin. There we discussed official business regarding the different matters concerning the chemical industry. It was in July 1939 at one of these meetings, in the presence of Mr. Ehrmann, deputy to Ungewitter, that Mr. Ungewitter told me that Hitler was determined to invade Poland and that, in view of the assurance given by England and France to Poland, we must be prepared for an attack on our Western Front. There could be no doubt in my mind from the manner in which Mr. Ungewitter spoke that the attack would take place as soon as the harvest was collected, which meant sometime in September. Ungewitter told me also that the Ministry of War and the Ministry of Economics had informed him that our "Kriegswichtigen" [militarily-important plants] that is, the Ludwigshafen and Oppau works, must be moved from the western frontier because they were too close. We feared also that they might have guns which could shoot over the 80 km. distance between our factories and the French frontier. I said at once to Mr. Ungewitter that this idea of moving the works seemed quite impossible to me. When I spoke to Dr. ter Meer one of the next days, he told me that he was well aware of the plan and he confirmed that it was impossible to move the works and I am certain that Mr. Ungewitter has talked over those questions much more strongly with Dr. Wurster and Dr. Ambros than he did it with

me, who was not responsible for the Ludwigshafen-Oppau works. It is incontestable that Mr. Ungewitter acted on behalf of the government, that means the Vierjahresplan [Four Year Plan], when he informed me in the before-mentioned way.

[Signed] G. VON SCHNITZLER"

"Statement re 'Tense Situation' in Summer 1939

"When Hitler had entered into Prague, one could not have any doubts that he was ready to go for war. The tension which since the Anschluss of Austria lay over Europe, became nearly intolerable. The German country was in a continuous state of mobilization. This had gone so far that even men like myself, being not under any military obligation in March 1939, got a "Mobilmachungs-Order" [mobilization order] to be, in the case of war, at the disposition of their firm. The plans for the Mobilmachung of the key industries were handed out to the individual firms, partly, for the so-called implements of war, they at once had to become efficient; for other domains it was provided for that they should enter in force with the outbreak of war—this applied for instance to the best of my knowledge for dyestuffs.

"Shortly afterwards, it may be in June, the first incidents were provoked at the German/Polish border, riots in Danzig were "arranged," and as we know from last year in the Sudetenland how such things were being managed, we were absolutely sure that Hitler would attack Poland, if Poland should not accept his demands.

"Optimists like myself remained hopeful that at the last moment an arrangement should be found, but the earnestness of the situation could not be hidden as the guaranty of England for Poland was a fact. The public, about this, was misled by the announcement of the great apotheosis which should happen in Tannenberg at the end of August in order to celebrate the anniversary of the battle of Tannenberg as well as to disclose the sepulcrum [sepulcher] for old Marshal Hindenburg.

"I think it was in July 1939 that I had in Berlin a conversation with Dr. Ungewitter in the presence of his deputy, Mr. Ehrmann.* In this conversation, Dr. Ungewitter informed me that the conflict with Poland could break out at any time and that after the opinion of the competent Ministerium [ministry], in principle the manufacturing of all chemical products important for warfare should be removed from Ludwigshafen-Oppau and be transferred to other works not so near to the French frontier.

* See the affidavit and testimony of Ehrmann, reproduced above in subsection O 2*a*.

"I said at once to Dr. Ungewitter that this seemed quite impossible to me as such producing capacities in the other works were not existent.

"The same was confirmed one of the next days by Dr. ter Meer when I talked to him about that conversation, and I am certain that Dr. Ungewitter had talked over those questions much more thoroughly with Dr. Wurster and Dr. Ambros, than he did it with me, who was not responsible for Ludwigshafen-Oppau. It is incontestable that Dr. Ungewitter acted on behalf of the government, that means the "Vierjahresplan," when he informed me in the before-mentioned way.

Frankfurt, 28 August 1945

[Signed] G. VON SCHNITZLER"

Both these statements were made upon the basis of a strong impression I had in August 1945, and they were firmly written in my recollection. The statements both still appear to me to be entirely true to the best of my knowledge and belief, except that I would like to make the following explanations:

(*a*) Recollecting all my anxieties of that summer of 1939, all the wild fury which I felt against Hitler's policy, I am inclined to believe that unknowingly or subconsciously I might have interpolated (unterschoben) certain of my own worries and concerns to Dr. Ungewitter and I believe that this is a psychological and understandable error! Ever since the invasion of Prague, which happened the very day when we were sitting in Duesseldorf on the so-called Anglo-German Industrial Committee, and after having exchanged reactions on that event with Sir Francis Larke, the head of the British steel industry, my anxieties about the future steps which Hitler might take never came to an end. Apart from some personal friends not being connected with IG, I only showed from time to time my deep worries and concerns to Carl von Weinberg, Dr. Hans Kugler, and Richard von Szilvinyi.

(*b*) It is clear that I had a specific conversation with Dr. Ungewitter in about July 1939 in which he stated that it was [the] opinion of the competent Reich authorities that the Ludwigshafen-Oppau plants would have to be closed down because they were too close to the French frontier. But as I now view it, he must have meant and must have stated that this order was prepared so that it would go into effect in case of war. Moreover, I am now doubtful if Dr. Ungewitter actually said that Hitler was determined to attack Poland. He could not have known this then. However, since he was the link between the government and the chemical industry, I know he was speaking

on behalf of the Four Year Plan concerning the closing down of Ludwigshafen-Oppau plant and I was very impressed by the manner in which he spoke. When he additionally expressed himself to the effect that the international situation was grave and that it was quite possible there could be a war with Poland, which would involve France and England, I probably read into his statement that he said Hitler was determined to attack Poland.

(*c*) In the second paragraph of the longer statement, I said "we were absolutely sure that Hitler would attack Poland." This was my firm impression in August 1945, but I should have only spoken for myself and not said "we." Moreover, I thought Hitler's foreign policy of bluff backed by the strong fist would probably cause Poland to give in to his demands. However, I was a very worried man, particularly after the invasion of Prague, since I felt that England, France, and America were bound to take a stiffer attitude to Hitler's words and actions, and that ultimately Hitler's policy would bring Europe to war and ruin.

6. On 22 August 1945, I signed a one-page statement concerning war preparations, the text of which follows:

> "Even without being directly informed that the government intended to wage war, it was impossible for officials of IG or any other industrialists to believe that the enormous production of armaments and preparation for war starting from the coming into power of Hitler accelerated in 1936 and reaching unbelievable proportions in 1938 could have any other meaning but that Hitler and the Nazi government intended to wage war come what may. In view of the enormous concentration on military production and of the intensive military preparation, no person of IG or any other industrial leader could believe that this was being done for defensive purposes. We of IG were well aware of this fact as were all German industrialists and on a commercial side, shortly after the Anschluss in 1939, IG took measures to protect its foreign assets in France and the British Empire.
>
> [Signed] G. VON SCHNITZLER"

This statement represents my impression in August 1945. This statement offers an appropriate basis for making some additional statements concerning the feelings I held before the outbreak of war in September 1939. I resented Hitler's rearmament policy, and I was terribly oppressed by it. I mentioned my feelings confidentially to my close collaborators and to my personal friends, such as Professor Rousselle, Carl von Weinberg, Richard von Szilvinyi, and Dr. Hans Kugler. I often said confidentially

that that madman (referring to Hitler) would bring us to ruin because the world in the long run would not tolerate his actions and his offensive speeches. I disapproved of the movement of troops into both Austria and Czechoslovakia. However, my feelings concerning the use of force to effect the Anschluss were influenced by a strong feeling, which I hold to this day, that Austria and Germany are basically one nation and that the Austrians wanted a union with Germany. Therefore, the propaganda and the reports which came out concerning Austria, just before and just after the Anschluss, did not necessarily appear exaggerated to me. The military occupation of Czechoslovakia (leaving aside the occupation of the Sudetenland after the Munich Agreement) in March, 1939, was an entirely different matter for me. This military invasion simply shocked me to the deepest depths of my heart. The occupation occurred when I was in Duesseldorf at the German-English conference of industrialists. On the way to a luncheon party at this time, Sir Francis Larke of England gave his reaction to this terrible step. My opinion was identical to his. I was just as shocked as he was and had neither an explanation nor an excuse. I always considered that Czechoslovakia was a godchild of the United States and that this occupation would deeply offend America. The 13th of March 1939 is the decisive date for me with respect to the foreign policy of the Hitler regime. On that date it became absolutely clear to me that Hitler would lead Europe to ruin. I so expressed myself to my close friends, and proof of this can be obtained from them. From the very first moment it was clear to me that it was a terrible wrong to mankind which was done by the occupation of Prague. I knew only too well many Czech people not to be fully aware that they were not Germans, and that they did not want to have a German domination. After the Sudetenland was incorporated into the German Reich, I did not believe a word of the propaganda against Czechoslovakia. With respect to the Polish question, I distinctly disapproved from the first moment of any coercive or forceful measure. I didn't accept the Polish border "incidents" as true nor did I accept the propaganda concerning Poland. But, on the other hand, I didn't believe them to be as artificial as I recognized them to be after the collapse of Germany, because I felt that hatred was being made by both sides and that there was injustice concerning the Polish Corridor and East Prussia. I did not think the Polish question would come to war because I thought Hitler, following his policy of bluff, backed up by the strong fist, would secure his demands of the Poles by his bluff. However, I was among that group of Germans who were worried that Hitler might not get away with his bluff

toward Poland and that this would mean war not only with Poland but as well with France and England. After Ungewitter had told me in July 1939, that the government was concerned about the proximity of the Ludwigshafen-Oppau plant to the French border, I was worried by the prospect of war. As head of the Kaufmaennische Ausschuss [Commercial Committee] of IG, and as the person in charge of the biggest part of IG's export trade, the dyestuffs field, I quite naturally took every precaution of a cautious and considerate business man in case a clash should occur. I was not a gambler myself, and I considered gambling too mild a word to describe Hitler's foreign policy. I then considered Hitler's foreign policy a matter of "Verbrecherisches Spekulieren", which can properly be translated as criminal speculations. The steps I took to protect IG's foreign assets abroad were the natural protective steps of a cautious business man against this criminal speculation. At the time in 1939, I felt that a captain should stay with his ship, that I owed certain obligations to my employees, and that I had a responsibility to I.G. Farben, in total, including the shareholders. For these reasons I did not resign or withdraw to an unimportant position in spite of my aversion feelings concerning Hitler's policy.

7. I have carefully read each of the 25 pages of this declaration and have placed my signature at the bottom of each page. I have made the necessary corrections in my own handwriting and initialed each correction in the margin of the page. I declare herewith under oath that I have stated the full truth to the best of my knowledge and belief.

[Signed] GEORG VON SCHNITZLER

4. AFFIDAVIT OF DEFENDANT TER MEER

COPY OF DOCUMENT TER MEER 2
(ALSO DOCUMENT NI–5180)
TER MEER DEFENSE EXHIBIT 9*

AFFIDAVIT OF DEFENDANT FRITZ TER MEER, 2 MAY 1947

I. Friedrich Hermann ter Meer, member of the Vorstand of I. G. Farbenindustrie from 1925 to 1945, after having been warned that I will be liable to punishment for making a false statement, telling an untruth, hereby state the following of my own free will and without coercion:

* This affidavit was executed by Defendant ter Meer before the issuance of the indictment in the Farben case after interrogations by a representative of the prosecution. The prosecution did not, however, introduce the affidavit during its case in chief, but the document was introduced as a defense exhibit by counsel for Defendant ter Meer.

1. In my affidavit of 2 April 1947 (NI–5188), paragraphs 14 and 22, I have stated the principal objections which I had to the Nazi regime. At no time during the Nazi regime did I offer any kind of resistance to the regime which in any way endangered my personal liberty, my freedom, or my property. Because of the restraint upon freedom of expression, I did not talk about my feelings to the regime openly, but I expressed many of my concerns often within confidential circles and especially to a few of my close friends or collaborators, including Dr. Bernhard Buhl, Prof. Erwin Selck, and Dr. Karl Lueer. However, my lack of enthusiasm for the Nazi regime and the NSDAP were sufficiently well known so that I don't think anyone considered me an active supporter of the NSDAP. I consider myself as one of Bosch's closer associates and as he was our "great man" his ideas and reactions have at all time impressed me very much. He once told me, "The great thing is that I.G. Farben must outlast the Nazis."

2. Quite soon after the Nazis came to power, I felt so strongly in opposition to the Nazi regime that I seriously considered resigning from my position in I.G. Farben and retiring from active participation in German industrial life. In late 1934 or early 1935, the matter had gone so far that I had a long discussion on the matter with Prof. Erwin Selck, an old friend of mine. I told him that I felt extremely upset by a number of happenings in Germany, that many things in Germany were in contradiction to my convictions, including the Roehm affair, and that I thought it best to resign my position altogether. Selck thereupon became extremely lively in his conversation. He said that I was absolutely wrong; that the only hope for Germany was that the Party would get over the revolutionary stage and become more reasonable; and that at last reason would prevail in Germany. Selck said that persons like me had to remain and do their duty to avoid replacement by men closely connected with the Party who would overrun everything in I.G. Farben if men like me were replaced. Selck's viewpoint finally prevailed and thereafter I never seriously considered resigning again.

3. For the period from my conversation with Selck to the Anschluss, I want to state the following. Most Germans considered Germany's foreign policy before 1938 a good deal from the consideration of what other countries might have done, but did not do, to interfere. When there was no interference by the other countries, there was little incentive to interfere within Germany. Moreover, it certainly seemed to me that Hitler tried to come to an agreement with England, and after the German-British Naval Treaty of 1935, I thought there might be some

success. Beyond this, an industrialist is always much influenced by economic trends, and by 1937 in Germany economic conditions were very good, unemployment was practically non-existent, everyone was satisfied, especially the workmen. Then, for technical men like me, the probable outcome of large new chemical achievements, like buna, impressed us greatly. Between 1936 and 1939, I talked these things over, both in Germany and abroad, with a number of foreign industrialists, particularly Americans. In 1938 or 1939, Mr. Milliken, an American, asked me how a leading man in German industry could feel content, under the Nazi regime, and I said: "Well, never mind the purely political aspects of the matter. I am a businessman and I must say that so far I have not been under such specific pressure in specific cases" (referring to business conduct) "that I feel it has become impossible for me to continue my work." Moreover, we German industrialists were greatly influenced by the favorable impression of the German economic position expressed by visiting American industrialists.

4. Between 1933 and 1939, I, and I believe most of my colleagues in I.G. Farben, did not believe much of the Nazi propaganda concerning foreign countries. For my own part, I had traveled many times abroad and learned of the strong feelings against Nazi Germany, read foreign newspapers while abroad, et cetera. I knew particularly from my travels in America in 1938 the strong resentment in America against the atrocities against the Jews and the burning of Jewish synagogues and places of business in November 1938. However, quite apart from the Nazi propaganda and the Nazi claims, I had the feeling that great revisions had to be made in Europe which would undo many of the injustices of the Versailles Treaty.

The Occupation of Austria and the Anschluss

5. Specifically with respect to Austria, I can say that I was at the time not opposed to the military occupation of Austria by German troops, even though I recognized that a forceful military solution was made by German troops marching into another sovereign nation. Most Germans at that time, including me, looked less at the methods used in Austria than the results in our dream of a German reunion with Austria. Most Germans felt that the Treaty of Versailles was wrong and unjust in preventing Austria and Germany from uniting. Since it did not come to war, not a single shot being fired, and since we heard the reports about the enthusiastic reception of our troops by the Austrians, I did not feel apprehensive about future peace because of this military occupation.

The Invasion of Czechoslovakia

6. The first time I really had the feeling that our foreign policy was in no way in order was when German military forces were used to occupy Czechoslovakia in March 1939. This shocked me deeply, the more so as the question of the Sudetenland had been solved at Munich. I felt that the NSDAP had now started Germany on a very dangerous road. I felt this was a breach of an international agreement, the Munich Pact, and an aggressive act against a country in whose affairs we had no right to interfere. This shocked me, especially since the story brought out in the German newspapers concerning the visit of the Czechoslovak President Hacha with Hitler did not look altogether natural to me. At the time the occupation of Czechoslovakia was announced, my close friend Buhl, since dead, and I exchanged the view that now things possibly were driving to a very serious end. I considered at that time the foreign policy of the Nazis from this time on to be gambling and a clear course of criminal speculation. When England broke off the Naval Treaty shortly thereafter; when England and France also gave Germany a very serious warning; and when later England agreed to support Poland if she were invaded, I was extremely worried. However, as the summer of 1939 went on, I became less worried with the passage of time. It was only in about August 1939 that again a very uneasy feeling started when the German press repeated more or less the same thing which had been done in the case of the Sudetenland about a year before. But then I talked in Carlsbad to Walter Roehnert, an industrialist who was considered to have close relations with high political circles in Germany, and he said that he had information from high political circles that Hitler was not going to war and that Hitler would accept a reasonable solution of the Corridor question. This relieved me greatly, since I knew there was considerable support in England and America for a reasonable solution of the Corridor question.

International Negotiations in which I Participated in 1938 and 1939

7. In 1938 and 1939 I followed up my usual business lines in foreign countries and participated in meetings of the dye-stuff cartel in Switzerland, France, and England, went several times to Italy, etc. In the same years I engaged in business conversations with representatives of the ICI concerning the dyestuffs plant at Trafford Park, England; with representatives of the Lever Brothers concern in England; with Mr. Crane of the Du Pont Company on nylon (summer of 1938), and on nylon and buna (late fall of 1938) in America. The international tension in

1938 did not interfere with my usual activity in international negotiations whatsoever. In 1939 I had planned to go to America in early summer on the buna questions, but I was informed beforehand that the road tests with buna tires would not be conclusive before the end of August. So I had to postpone my trip to the fall. But the outbreak of war prevented it. Without any reservation, I can state that we were willing to make the know-how and the technical processes concerning buna available to the American concerns in both 1938 and 1939 up to the outbreak of the war. Representatives of ICI visited us in Germany in July 1 1939. All this shows that there was no change in the conduct of our business affairs during 1938 and 1939.

8. In late 1938 or early 1939, we made a change with respect to our English sales agencies so that our stores of dyestuffs were sold out to them. There were also changes made in British India. I recall that Dr. Kuepper went there for this purpose late in 1938 and that the Agfa agency at Bombay was sold to the Koopman Bank. These steps were taken as measures to avoid losses in the case of the outbreak of war. It is a correct business attitude to diminish one's risks. I do not recall any steps which were taken before the outbreak of war in 1939 concerning our participation in South America. I recall that in about 1938 or 1939, the name of the American I.G. Chemical Company, New York, was changed to General Aniline and Film Company, but in my opinion this was done on the initiative of the America side. Of course, after the outbreak of war, certain steps were taken in 1939 with respect to I.G. Chemie, Basel, by which the existing agreements between I.G. Farben, I.G. Chemie, Basel, and General Aniline and Film Company were discontinued, with the exception of the agreements between I.G. Farben and G.A.F. dealing with the exchange of know-how and patents.

My Reaction on the Outbreak of War

9. I was very shocked at the outbreak of war, but I felt that not only the Nazis were now involved, but also my country and my people. Therefore, I never considered leaving Germany or withdrawing from my position as an important industrial leader after the war broke out. I heard about Fritz Thyssen's flight from Germany upon the outbreak of war or shortly thereafter, and when I was in foreign countries during the war, or by some information which was brought to me, I read some of his publications abroad against Nazi Germany and the war. However, I think Thyssen must have prepared for this step long in advance. In any event, I do not think it an example which could be imitated by everybody. However, I did not and I do not consider Thyssen's flight from Germany upon the outbreak of war as an

act of treason, because this was an action carried out against the Nazis, who had not acted correctly concerning many points where Thyssen had good grounds for disillusionment.

10. In my affidavit of 29 April 1947 (NI–5184, Pros. Ex. 330)* I stated that Gauleiter Sprenger requested the removal of Schmitz, von Schnitzler, and me. I recall several similar occurrences. About 1936, Constantin Jacobi, a deputy member of the Vorstand and Betriebsfuehrer [manager] of our Mainkur and Griesheim plants, got into some difficulties with the German Labor front (DAF). The Gauobmann [regional leader] of the DAF called on me and asked me to remove Jacobi as Betriebsfuehrer. I naturally refused, stating that Jacobi was an able technical expert and that the complaints were not justified. When Mr. Buhl, a Vorstand member, died in 1940, a titulary director named Stein desired to succeed Buhl as Vorstand member. Stein approached and got the support of Gauleiter Sprenger. He then took the matter up with Weber-Andreae, another Vorstand member, who then talked it over with von Schnitzler and me. We then informed Stein that I.G. Farben could not follow up his request. Thereafter Gauleiter Sprenger insisted, however, and it became necessary for a Vorstand member (I believe von Schnitzler) to further talk to Gauleiter Sprenger, whereupon the matter was dropped. The Gau [regional] office of the NSDAP also raised some question about Paul Haefliger as a Vorstand member, because he was a Swiss and not a German citizen. But this question was straightened out by Haefliger's becoming a German citizen. I recall of no other specific examples of efforts by the NSDAP to change the direction of I.G. Farben.

11. I have carefully read each of the 7 pages of this declaration and have placed my signature at the bottom of each page. I have made the necessary corrections in my own handwriting and initialed each correction in the margin. I declare herewith under oath that I have stated the full truth to the best of my knowledge and belief.

[Signed] DR. FR. TER MEER

* Not reproduced herein.

PARTIAL TRANSLATION OF DOCUMENT CK–5
GENERAL DEFENSE EXHIBIT 57

EXTRACT FROM ADOLF HITLER'S SPEECH AT THE REICHSTAG SESSION OF 23 MARCH 1933, CONCERNING GOVERNMENT POLICY*

* * * * * * *

The German nation wishes to live in peace with the rest of the world. But it is for this very reason that the Government of the Reich will employ every means to obtain the final removal of the division of the nations of the world into two categories. The keeping open of this wound leads to distrust on the one side and hatred on the other, and thus to a general feeling of insecurity.

The national government is ready to extend a hand in sincere understanding to every nation that is ready finally to make an end of the tragic past. The international economic distress can only disappear when the basis has been provided by stable political relations and when the nations have regained confidence in each other. For the overcoming of the economic catastrophe three things are necessary: 1. Absolutely authoritative leadership in internal affairs, in order to create confidence in the stability of conditions; 2. the securing of peace by the great nations for a long time to come, with a view to restoring the confidence of the nations in each other; 3. the final victory of the principles of common sense in the organization and conduct of business, and also a general release from reparations and impossible liabilities for debts and interest.

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* Taken from "Reichstag Proceedings," vol. 457. The judgment of the Tribunal quoted a large number of the speeches of Hitler in which he proclaimed Germany's desire for peace and peaceful solutions of international differences. A number of other statements which he made on later occasions are reproduced hereinafter. A great many such statements were introduced in evidence by the defense.

TRANSLATION OF DOCUMENT CK 6a
GENERAL DEFENSE EXHIBIT 58

EXTRACTS* FROM HITLER'S SPEECH TO THE GERMAN REICHSTAG, 17 MAY 1933, CONCERNING THE GERMAN GOVERNMENT'S DESIRE FOR PEACE

* * * * * * *

The problems with which you are familiar are of such great importance, that upon their successful solution depends not only the political pacification but also the economic salvation of all countries. If, on behalf of the German government, I express the wish that their treatment be lifted out of the reach of passion of any kind, this is to a large extent due to the realization guiding all of us, namely, that the present depression owes its deepest roots to those very passions, which at the end of the war, obscured the nations' wisdom, reason, and the cause of justice.

* * * * * * *

No new European war could improve the unsatisfactory conditions of the present day.

On the contrary, the application of violence of any kind in Europe could have no favorable effect upon the political or economic position which exists today. Even if a fresh European act of violence had a decisive result, the ultimate effect would be to increase the disturbance of European equilibrium and thus, in one manner or another, to sow the seed of further conflicts and complications. The result would be fresh wars, fresh uncertainty, and fresh economic distress. The outbreak of such infinite madness, however, would necessarily cause the collapse of the present social and political order. A Europe sinking into Communistic chaos would bring about a crisis, the extent and duration of which could not be foreseen.

It is the earnest desire of the National Government of the German Reich to prevent such a disturbing development by means of its honest and active cooperation.

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Nevertheless, Germany is at any time willing to undertake further obligations in regard to international security, if all the other nations are ready on their side to do the same, and if this security is also to benefit Germany. Germany would also be perfectly ready to disband her entire military establishment and

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* The extracts reproduced here are all the extracts which were offered in evidence by the defense.

destroy the small amount of arms remaining to her, if the neighboring countries will do the same thing with equal thoroughness.

* * * * * * *

She is also entirely ready to renounce all offensive weapons of every sort if the armed nations, on their side, will destroy their offensive weapons within a specified period, and if their use is forbidden by an international convention.

* * * * * * *

Moreover, the German Government will not reject any prohibition of arms as being too drastic if it is applied in the same manner to all other states. As long as armaments are allowed to other powers, Germany cannot be permanently deprived of all weapons of defense. We are fully prepared only to make use of an equal status to an extent to be settled by negotiation.

* * * * * * *

Germany is at all times prepared to renounce offensive weapons if the rest of the world does the same. Germany is prepared to agree to any solemn pact of nonaggression because she does not think of attacking but only of acquiring security. She would welcome the possibility suggested in President Roosevelt's magnanimous proposal of bringing the mighty United States into European relations as a guarantor of peace. The President's proposal is a ray of comfort for all who wish to cooperate sincerely in the maintenance of peace. We have no more earnest desire than to contribute to the final healing of the wounds caused by the war and the Treaty of Versailles. Germany does not wish to take any other path than that recognized as justified by the treaties themselves. The German Government wishes to come to a peaceful agreement with other nations on all difficult questions. They know that in any military action in Europe, even if completely successful, the sacrifice would be out of all proportion to any possible gains.

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May the other nations realize the resolute will of Germany to put an end to a period of blundering and to find the way to a final understanding between all, on the basis of equal rights.

PARTIAL TRANSLATION OF DOCUMENT CK–19
GENERAL DEFENSE EXHIBIT 72

EXTRACTS FROM HITLER'S SPEECH TO THE GERMAN REICHSTAG, 21 MAY 1935, CONCERNING GERMANY'S PEACE POLICY*

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We Germans can only bewail the fact that the rest of the world takes so little trouble to examine objectively what went on in Germany during the past two and a half years, and does not study the essence of that ideology, to which alone the credit for these achievements is due.

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If the present Germany advocates peace, it does so neither owing to weakness nor to cowardice. It advocates peace from another standpoint regarding people and state, namely the standpoint of national socialism. For national socialism regards the forcible amalgamation of one people with another alien people not only as a worthless political aim, but in the long run as a danger to the internal unity and hence the strength of a nation. National socialism therefore dogmatically rejects the idea of national assimilation. That also disposes of the bourgeois belief in a possible 'Germanization.'

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Our racial theory therefore regards every war for the subjugation and domination of an alien people as a proceeding which sooner or later changes and weakens the victor internally, and eventually brings about his defeat. But we do not believe for a moment that in Europe the nations whose nationalism has been completely consolidated could in the era of the principle of nationalities be deprived of their national birthright at all.

* * * * * * *

National Socialist Germany wants peace because of its fundamental convictions. And it wants peace also owing to the realization of the simple primitive fact that no war would be likely essentially to alter the distress in Europe. It would probably increase it.

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* Taken from "Reichstag Proceedings," vol. 458.

PARTIAL TRANSLATION OF DOCUMENT CK–25
GENERAL DEFENSE EXHIBIT 78

EXTRACTS FROM HITLER'S SPEECH TO THE GERMAN REICHSTAG, 7 MARCH 1936, CONCERNING RELATIONS BETWEEN FRANCE AND GERMANY*

* * * * * * *

It is regrettable that the world does not take seriously the causes of the struggle for the life of the German nation. But it is really shocking to be able to read every day in so and so many newspapers of the satisfaction with which the world reads of the difficulties which inevitably beset the life of our people. As long as this is only done by insignificant writers, it can continue. It is a very bad sign when statesmen begin to regard presumptive signs of poverty and need in a nation as welcome symptoms for assessing the general situation and forming judgments as to the future.

* * * * * * *

In these 3 years I have again and again endeavored—unfortunately too often in vain—to throw a bridge of understanding across to the people of France. The farther we leave behind the bitterness of the World War and the fears that followed it, the more do evil memories fade from the minds of men, and the more do the beautiful aspects of life and knowledge and experience come to the fore. Those who once faced one another as bitter opponents honor each other today as men who fought bravely in a great struggle that is past and gone and regard each other as the depositories and trustees of a great and common cultural inheritance.

Why then, should it not be possible to put an end to this useless strife which has lasted for centuries and which has never been and never will be finally decided by either of the two nations concerned? Why not replace it by the rule of reason? The German people have no interest in seeing the French people suffer. And on the other hand what advantage can come to France when Germany is in misery? What boon can the French peasant expect to come to him when times are bad with the German peasant, or vice versa? Or what advantage can the French worker expect from the distress of the German worker? What blessing could it bring to Germany, to the German laborer and to the German middle classes or the whole of the German people, if France were overwhelmed with misfortune?

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* Taken from "Verhandlungen des Reichstags" (Reichstag Proceedings), vol. 458.

I have followed the principles of common sense in trying to solve questions which arose from the mischievous preaching of class war among the German people themselves. And I have been succeessful in my effort. Why then should it not be possible to lift the general problem of conflicting interests between the European States above the sphere of passion and unreason and consider it in the calm light of a higher vision?

I once swore to myself that I would fight boldly and steadfastly for Germany's equality and obtain it in one way or the other; but at the same time my earnest desire has been to increase the feeling of responsibility for the necessity of mutual consideration and collaboration in Europe.

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TRANSLATION OF DOCUMENT CK–89
GENERAL DEFENSE EXHIBIT 144

EXTRACTS FROM THE OFFICIAL NAZI PARTY NEWSPAPER, "VOELKISCHER BEOBACHTER," 26 AND 30 JULY 1936, CONCERNING THE VISIT OF COLONEL LINDBERGH TO GERMANY AT THE TIME OF THE OLYMPIC GAMES

26 July 1936

* * * * * * *

Big reception at the Auslands-Club

In honor of Colonel Lindbergh, the American ocean flyer, and his wife, the Deutsche Auslands-Club held a reception on Friday night at its country house at Wannsee. Colonel Lindbergh, who in the morning, had inspected the installations and equipment of the Doeberitz Flying Group of the Richthofen Fighter Squadron, arrived at Wannsee at 8 o'clock and he and his wife were most cordially welcomed in the park of the country-house by Adolph Friedrich, Duke of Mecklenburg, the president of the Auslands-Club.

A large number of guests had followed the invitation of the Deutsche Auslands-Club in order to welcome the famous American ocean flyer. Beside Mrs. and Miss Dodd, the wife and daughter of the American Ambassador, Major Smith, Military Attaché, and Major Koenig, Air Attaché, also put in an appearance. State Secretary for Air, General Milch, had appeared as deputy for General Goering, Reich Minister for Air. Among the many guests who had informally assembled around the various tables in the magnificent park of the country-house, there was also Count Baillet-Latour, President of the International Committee, Avery

Brundage, President of the American Olympic Committee and leader of the Olympic team which had arrived today in Berlin, and State Secretary (retired) Lewald and many more.

Colonel and Mrs. Lindberg, greatly pleased with the friendly reception given them, spent several hours in the magnificent park of the Wannsee country house where on this fine summer's evening, they could find rest and relaxation among friends and guests.

Berlin, 29 July 1936

On Tuesday noon, Colonel and Mrs. Lindberg had luncheon at the house of the [Prussian] Prime Minister, General Goering. Also present were Major Smith, the American Military Attaché, Captain Koening, Air Attaché, and their wives.

TRANSLATION OF DOCUMENT CK–91
GENERAL DEFENSE EXHIBIT 146

EXTRACT FROM SCHULTHESS' HISTORICAL ALMANAC OF EUROPE, CONCERNING THE VISIT OF OFFICERS OF THE BRITISH ROYAL AIR FORCE TO A GERMAN AIR BASE ON 17 JANUARY 1937[1]

17 January. Officers of the British Royal Air Force arrive at the Staaken air-base, for a visit of several days, in order to inspect the installations of the German Luftwaffe as guests of Reich Minister, General Goering.

PARTIAL TRANSLATION OF DOCUMENT CK–42
GENERAL DEFENSE EXHIBIT 95

EXTRACTS FROM SPEECH OF HITLER TO THE GERMAN REICHSTAG, 20 FEBRUARY 1938, CONCERNING THE UNDERSTANDING WITH AUSTRIA[2]

* * * * * * *

I am happy to be able to tell you, gentlemen, that during the past few days a further understanding has been reached with a country that is particularly close to us for many reasons. The Reich and German-Austria are bound together not only because they are the same people, but also because they share a long and common history, and a common culture.

The difficulties which had been experienced in carrying out the agreement of 11 July [1936] compelled us to make an attempt

[1] Page 13. Published by Ulrich Thuerauf, 1937. C. H. Beck'sche Verlagsbuchhandlung Muenchen, 1938.

[2] Taken from "Verhandlungen des Reichstags" (Reichstag Proceedings), vol. 459.

to clear out of the way misunderstandings and hindrances to a final conciliation. Had this not occurred, it was clear that an intolerable situation might one day have developed, whether intentionally or otherwise, which might have brought about a very serious catastrophe. It is then, as a rule, no longer within the power of man to stay the course of a destiny that first arose through negligence or stupidity! I am glad to be able to assure you that these considerations corresponded with the views of the Austrian Chancellor whom I invited to come to visit me. The idea and the intention were to bring about a relaxation of the tension in our relations with one another by giving under the existing legislation the same legal right to citizens holding National Socialist views as are enjoyed by the other citizens of German Austria. In conjunction with this, there should be a practical contribution towards peace by granting a general amnesty, and by creating a better understanding between the two states through a still closer friendly cooperation in as many different fields as possible—political, personal, and economic—all complementary to and within the framework of the Agreement of 11 July.

I want to express, in this connection, before the German people my sincere thanks to the Austrian Chancellor for his great understanding and the warm-hearted willingness with which he accepted my invitation to work with me so that we might discover a way of serving the best interests of the two countries, for after all, it is the interest of the whole German people, whose sons we all are, wherever we may have been born.

I believe that in reaching this mutual understanding we have also made a contribution to European peace. The best proof that we are right in this supposition is the rising fury of democratic world citizens who are always talking about peace, and yet who let no opportunity pass of inciting to war. They are angry with, and infuriated by, this work of understanding. It is therefore a permissible conclusion that our work was good.

Perhaps this example will be helpful in gradually bringing greater relief to the tense situation in Europe. Germany is willing, in any event, supported by her friendships, to leave nothing untried in order to preserve the greatest blessing, that blessing that is the basis for every future work, namely, peace.

I can assure you, fellow Party members, that our relations with the other European Powers, as well as with the States outside Europe, are either normal or else very friendly.

I need only point to our especially warm friendship with Hungary, Bulgaria, Yugoslavia, and many other states. Our

foreign trade balance has given you an impressive picture of our economic cooperation with the other peoples!

But above all stands our cooperation with those two great Powers who have recognized a world danger in Bolshevism, just as Germany has, and are determined to unite their strength in common defense against the Comintern movement. That this work of cooperation with Italy and Japan may ever become closer is my sincere desire. In addition, we are happy for every relief of tension that can be effected in the general political situation. For, however great may be the achievement of our people, we are not in doubt that general prosperity would be increased if a closer international cooperation could be secured.

* * * * * * *

TRANSLATION OF DOCUMENT NI-14507
PROSECUTION EXHIBIT 2014

SECRET MEMORANDUM OF THE DEFENDANT HAEFLIGER, 16 MARCH 1938, CONCERNING THE MEETING OF FARBEN'S COMMERCIAL COMMITTEE ON THE DAY BEFORE THE GERMAN INVASION OF AUSTRIA*

Secret Frankfurt a.M. 16 March 1938

Note

Re: Construction Projects in Frankfurt and Berlin

First item on the agenda of the meeting of the Commercial Committee of 11 March of this year was the "M-question" [mobilization question].

Let us call to mind for a moment the atmosphere in which this meeting took place. Already at 0930 the first alarming messages had reached us. Dr. Fischer returned excited from a telephone conversation and reported that the Gasoline [Deutsche Gasolin A.G.] had received instructions to supply all gas stations [Benzinstellen] in Bavaria and in other parts of southern Germany towards the Czech border. A quarter of an hour later, there came a telephone call from Burghausen according to which quite a number of workers had already been called to arms, and the mobilization in Bavaria was in full swing. In the absence of official information, which was made known only in the evening, we were uncertain whether, simultaneously with the march into Austria, which to us was already an established fact, there would

* This memorandum was introduced in evidence during the cross-examination of the defendant Haefliger, as appears from the pertinent testimony of the defendant Haefliger reproduced below in subsection O 7*b*.

not also take place the "short thrust" into Czechoslovakia with all the international complications which would be kindled by it. The first thing I did was to ask at once for a connection with Paris to cancel my trip to Cannes (molybdenum negotiations). At the same time, I suggested to Mr. Meyer-Kuester, who was already in Paris and to whom I talked by telephone, to watch developments closely, and to depart too early rather than too late. Furthermore, I requested him to induce Mr. Mayer-Wegelin, who also had already arrived in Paris, to return the same evening.

Under these circumstances, of course, the conference on M [mobilization] matters took on highly significant features. We realized suddenly that—like a stroke of lightning from a clear sky—a matter which one had once treated more or less theoretically could become deadly serious, and furthermore, it became clear to us that the preparations which we had made up to now for the Grueneburg* had to be considered rather defective after all. As I had up to now not sworn an oath on the M-matter, I heard only later (after I had sworn such an oath on 12 March in the Reich Ministry of Economics) in greater detail about the steps we had taken, which of course I cannot discuss here in detail. I merely want to say this much, that the intentions of Dr. von Schnitzler regarding [Sales Combine] Dyestuffs seem to me not nearly sufficient for the requirements of [Sales Combine] Chemicals, for if the case should happen, Sparte Chemicals would have to fulfill task quite different from those of Sparte Dyestuffs. If a certain improvisation seems still to be possible for Dyestuffs, then certainly not for Chemicals. That the location Frankfurt, of course, would be from the beginning in the utmost danger does not need to be emphasized here. All present were aware of the seriousness of the situation, and also of the fact if the event happened, Frankfurt could not be held in an organizational respect.

In view of this situation, the conference was therefore surprised to the utmost when, in the afternoon, Dr. Schnitzler showed (in the absence of Geheimrat Schmitz) by means of finished plans, the necessity to enlarge the Grueneburg building. A wing for 600 officials is planned, connected to the Grueneburg by a tunnel; to cost approximately 3 millions.

The first attack against this was made by Dr. Ilgner who clearly expressed that, after the discussion of the morning, he considered it madness to undertake enlargements of buildings in Frankfurt.

I must add here that Dr. v. Schnitzler mentioned he had talked

* Farben's central administration building was located on Grueneburg Platz (Square) in Frankfurt and was frequently referred to as "the Grueneburg".

with Mr. Weber-Andreae and Dr. Buhl about the Frankfurt project and obtained their agreement. Thereupon, I too, took the floor and submitted first that I had not been informed of this conversation by my colleagues, and that I had to speak here freely not as representative of the Sparte * but as member of the Commercial Committee—one should not interpret that as a lack of Sparte discipline. With this remark everybody agreed. Furthermore, I emphasized that under no circumstances I would lend myself to act as gravedigger of the Chemicals Sparte. I had been working in this field for 30 years and under no circumstances would I ever lend a hand to split the Sparte—an expression which Dr. v. Schnitzler had used. With this remark, too, I had obviously the agreement of all those present. I emphasized that we had already discussed repeatedly within our organization [Dirketorium] the relocation of the Chemicals Sparte to Berlin for purely practical reasons, and that in these meetings the unanimous opinion was expressed that for our Sparte Berlin was the only right place. But we had recently postponed work on the draft of a memorandum which had already been started, because it had come to our attention that the building which Agfa had planned in Berlin would not be built. Since now evidently the realization of this project had again come closer, it became necessary to ask again if under these circumstances the matter should not be settled definitely. In any event, one should consider whether the Sparte Chemicals, without breaking up its organization should not transfer to the new building in Berlin those departments which had the most dealings with the armaments economy.

The resolution was agreed upon that I would be requested to investigate this possibility and to write a memorandum on it. Until then the construction project in Frankfurt was to be postponed.

In connection with the construction project Berlin, it is to be mentioned that the city has already approached us with the information that for a short time an area along the North-South axis has been reserved for us.

Herr Otto described in detail the situation for Agfa and pointed out that the present location in Muellerstrasse had great disadvantages and that he would be forced to put up larger buildings in Muellerstrasse if a new building in the center of town were out of question. But he would strictly object to the alternative of postponing necessary expansions of factories in order to build

* Reference is made to the Sales Combine Chemicals of which Haefliger was vice-chairman. The term "Sparte", as applied in this document, is loosely used and does not refer to one of Farben's three major Sparten.

in the center of town. Production of course came first, and in this case he would have to get along willy-nilly in Muellerstrasse. He was considering a project for at least 2,000 employees. It was projected to provide for [Sales Combine] Chemicals space for 500 officials. If possible, Nitrogen [Stickstoff-Syndikat G.m.b.H.] should not be taken in. If one intended to relocate all IG offices in Berlin in the new Agfa building—except the Central Finance Administration which will in any case remain at Unter den Linden and will get a new building there—it would be necessary to provide space there for 4,000–4,500 officials. This means a building which would be considerably larger than the Grueneburg. But the combined Agfa-Chemicals building too would mean a project of at least 20 million [marks].

Dr. Fischer remarked that an adjustment to such a relocation would not pose difficulties for bookkeeping—he would be ready to give detailed reasons for this in writing.

[Signed] HAEFLIGER

Dir. Hae/L

TRANSLATION OF DOCUMENT CK–54
GENERAL DEFENSE EXHIBIT 108

LETTER FROM CARDINAL INNITZER FROM VIENNA TO GAULEITER BUERCKEL, 18 MARCH 1938, ENCLOSING PREFACE TO AND SOLEMN DECLARATION OF THE AUSTRIAN BISHOPS OF 18 MARCH 1938

The Archbishop of Vienna Vienna, 18 March 1938

Dear Herr Gauleiter,

I am sending you enclosed herewith a declaration of the bishops. From same you can see that we bishops have complied with our national duty voluntarily and without pressure. I know smooth cooperation will follow upon this declaration.

With the expression of my highest regard and Heil Hitler!

Th. Cardinal Innitzer

Preface to the Austrian Bishops' Solemn Declaration

After thorough consideration, we bishops of Austria in view of the great historical hour which the Austrian people is witnessing and out of the awareness that in our days our people's thousand year old longing for reunion in one great Reich of Germans finds fulfillment, have decided to address the following proclamation to all our faithful flock.

In doing so we may set our minds at rest, the more so as the Fuehrer's Commissioner for the Plebiscite in Austria, Gauleiter

Buerckel, revealed to us the sincere course of his policy, which is to be guided by the motto: "Give unto God what is God's and unto Caesar what is Caesar's."

For the Vienna diocese
Vienna, 21 March 1938 Th. Cardinal Innitzer Eb.
For the Salzburg diocese
S. Waitz, Prince-Archbishop

Solemn Declaration

We, the undersigned bishops of the Austrian episcopate, on the occasion of the great historical events in Deutschoesterreich [German Austria], out of our innermost conviction and of our own free will, declare the following:

We recognize with joy that the Nationalist Socialist movement has produced outstanding achievements in the spheres of national and economic reconstruction, as well as in their welfare policy for the German Reich and people, and, in particular, for the poorest strata of the people. We are also convinced that, through the activities of the National Socialist movement, the danger of all-destroying godless bolshevism was averted.

The bishops accompany these activities with their sincerest blessings for the future, and shall also exhort the faithful accordingly. On the day of the plebiscite, we bishops consider it our obvious national duty, as Germans, to profess our loyalty to the German Reich, and we also expect all faithful Christians to know what they owe to their people.

Vienna, 18 March 1938

Adam Hefter, Fb. Th. Cardinal Innitzer Eb.
Fer. Pawlikowski Fb. S. Waitz, F.Eb.
Michael Memelauer Johannes Maria Pfoellner

TRANSLATION OF DOCUMENT KRAUCH 92 GENERAL DEFENSE EXHIBIT 147

EXTRACT FROM SCHULTHESS' HISTORICAL ALMANAC OF EUROPE, STATING THAT THE UNITED STATES GAVE DE FACTO RECOGNITION OF AUSTRIA'S REUNION WITH GERMANY ON 19 MARCH 1938*

19 March. Secretary of State Hull announces that the United States has de facto recognized Austria's reunion with the German Reich.

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* Page 517. Published by Ulrich Thuerauf, 1938, C. H. Beck'sche Verlagsbuchhandlung Muenchen, 1939.

CK DOCUMENT 55
GENERAL DEFENSE EXHIBIT 109

CARDINAL INNITZER'S LETTER OF 31 MARCH 1938 TO GAULEITER BUERCKEL CONCERNING THE PLEBISCITE OF 13 MARCH 1938, AS PUBLISHED IN THE "VOELKISCHER BEOBACHTER" OF 2 APRIL 1938

The Archbishop of Vienna — Vienna, 31 March 1938

Dear Herr Gauleiter,

I feel that I should address some observations to you in order to shed light on and correct a report of the Berlin correspondent of the Agency Havas* which was spread in connection with the Proclamation of the Austrian Bishops and which came to my knowledge.

The Havas correspondent writes the following: A connection might be discovered between the public announcement and the visit the Papal Nuncio (Cesar Orsenigo) paid to Reich Foreign Minister von Ribbentrop 2 days ago in Berlin.

In this connection I wish to state the following: No connection whatsoever exists between the solemn declaration of the bishops and the Papal Nuncio's visit in Berlin. On the contrary, the former was made spontaneously in view of the momentous historical hour of Austria's reunion with the German Reich. This is to be gathered from the preface which precedes the declaration of the bishops.

I must also reject the Havas correspondent's allegation from the same report, to the extent that the proclamation of the bishops had to be looked upon as a gesture to ease the tension; for I deem it beneath my dignity to indulge in gestures at a moment of such historical importance.

I emphasize again that the declaration of the bishops, as also our entire attitude towards the plebiscite, has to be evaluated on principle as an avowal motivated alone by the voice of our common German blood. I would like to go further and reveal to you quite openly my most cherished wish in these historical days, which is that, with the declaration of the bishops, a turning point may have been reached in the religious-cultural life of our entire people, inaugurating an era of the highest degree of internal pacification between the Church, the State, and the Party.

May I express the hope that this, my letter, will serve to render innocuous in advance any erroneous or incorrect statements

* Pre-war French news agency.

which might crop up in future, be it through the spoken or the written word.

With the expression of perfect esteem, and Heil Hitler!

Th. Cardinal Innitzer, Archbishop

PARTIAL TRANSLATION OF DOCUMENT NI–9289 PROSECUTION EXHIBIT 1069

EXTRACTS FROM THE MINUTES OF THREE MEETINGS OF FARBEN'S COMMERCIAL COMMITTEE, APRIL, JUNE, AND OCTOBER 1938, CONCERNING CZECHOSLOVAKIA AND SOUTHEAST EUROPE*

10th Meeting of the Commercial Committee, 22 April 1938

[The minutes show the following defendants as being present: Haefliger, Ilgner, Mann, Oster, and von Schnitzler]

* * * * * * *

8*a*. *Czechoslovakia*

Our relationship with Aussig is discussed in detail in connection with our interest in Czechoslovakia and Southeast Europe.

The proposal made by Aussig which is mentioned in the minutes of the Austria meeting of 19 April 1938 is discussed and supplemented.

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Dr. Ilgner suggests that the Sudeten-German press be used to an increasing extent for publicity.

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12th Meeting of the Commercial Committee, 16 June 1938

[The minutes show the following defendants as being present: Haefliger, Ilgner, Oster, and von Schnitzler]

* * * * * * *

2. *Southeast Europe*

It is agreed that it would be desirable to bring about a substantial increase of our participation in DAG, Bratislava, and that the possibilities for this should be examined by the Central Finance Administration. Our relationship to the Aussiger Verein is discussed and Dr. von Schnitzler describes in particular the position of Aussig in the dyestuffs cartel. He wins approval for the lines along which he proposes to negotiate at the nego-

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* Further extracts from the minutes of the meeting of the Commercial Committee concerning developments in occupied Austria and Czechoslovakia and Southeast Europe are reproduced above in subsection N, "The New Order and Expansion into German-Occupied Europe," under the same document and exhibit number.

tiations in Basel. If possible an attempt must be made to carry out what was previously suggested with respect to Aussig.

* * * * * * *

15th Meeting of the Commercial Committee, 7 October 1938

[The minutes show the following defendants as being present: Gattineau, Haefliger, Ilgner, Kuehne, Kugler, Oster, Schmitz, and von Schnitzler]

* * * * * * *

4. *Czechoslovakia*

Dr. von Schnitzler first reports on our action concerning Aussig, the result of which was that Dr. Kugler and Engineer Brunner—(Aussiger Verein, Falkenau plant) were appointed commissioners for the maintenance of the plants situated in the Sudeten-German areas by the Reich Ministry of Economics, the Foreign Organization of NSDAP [Auslandsorganisation] and the High Command of the Armed Forces (Brunner as technical commissioner, Kugler as commercial commissioner). Dr. von Schnitzler and Dr. Ilgner undertake to inform the competent authorities as to IG's attitude towards the whole complex of questions; the Flick Konzern is to be contacted, too, in the same connection.

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TRANSLATION OF DOCUMENT NI-6221
PROSECUTION EXHIBIT 833

MINUTES OF A CONFERENCE OF OFFICIALS AND EMPLOYEES AT FARBEN'S BERLIN NW 7 OFFICE, 23 MAY 1938, CONCERNING THE CZECHOSLOVAKIAN SITUATION

I.G. Farbenindustrie Aktiengesellschaft Berlin, 23 May 1938
Berlin NW 7
Di/Ur

Minutes of the Conference on Czechoslovakia held on 17 May 1938 at Unter den Linden 82[1]

Those present were:
Dr. Frank-Fahle, chairman
Seebohm, Dr. Herdani } Reichenburg
Dr. Kufuss Frankfurt/Main
Dr. Bannert
Dr. Brettner
Bueb
Gase
Gierlichs
Dr. Kolbenheyer
Dr. Kuegler[2]
Maurer
v. Meister
Mueller
Dr. Prentzel
Rong
Saxer
Dr. Wegmann
Dihlmann, secretary

General situation

Seebohm gave an introductory report; he stated that after the incorporation of Austria in the Reich, tension had increased in the Sudeten-German parts of the country and that in all sectors of the population, the political and industrial organizations were being reconstructed according to German pattern and to the tenets of national socialism.

[1] The minutes of Farben's Commercial Committee of 24 May 1938 stated that "Dr. Frank-Fahle reports on the Czechoslovakia Conference which took place on 17 May of this year. The minutes of this conference are handed around to all present." See Document NI-9289, Prosecution Exhibit 1069, reproduced above in subsection N 3.

[2] Not to be confused with the defendant, Kugler.

The stoppages in export to Austria by the textiles industry which occurred after the Anschluss resulted in a noticeable reduction in sales of our textile products.

IG Agencies

a. Personnel

In the main agencies ("Tefa,"* Reichenberg and Prague, and branches, "Pharma," Sperk & Prochaska, Prague, "Chemosan-Hellco" A.G., Agfa—Photo Department, Prague), no persons of non-Aryan descent are employed with the exception of two men of the "Tefa" in Brno and Prague (Eisner and Jerusalem).

It seems that the employment in executive positions of Czech nationals in our agencies is impossible for us in the long run.

Our products are sold in Czechoslovakia by a number of smaller dependent firms functioning as approved agents, in addition to the firms mentioned above; in cases where the proprietors of these firms are of non-Aryan descent, notice of termination of the agency contracts at the end of the year has been given.

Proposed action The Sales Combines are to ascertain the Czech nationals employed in our main agencies and their branches, and whether the proprietors and/or managers of the smaller agencies are Czech nationals.

b. Conditions of Ownership

It is established that shares in our agencies are under the administration of banks which are partly in Jewish hands. Our aim should be to prevent authorized sellers of IG products abroad from having to be in any way dependent upon Jewish banks since we would otherwise be branded with the stigma of cooperating with Jewish firms. Furthermore, such conditions of ownership could possibly deprive us of the liberty of directing our agencies at will, as our experience in Austria had shown, if such Jewish banks should come under the direction of trustees appointed by the Government.

Moreover, it is intolerable in the long run that shares in our agencies are owned by Czech nationals.

Proposed action The Central Finance Administration is to investigate, in cooperation with the sales combines, the exact conditions of ownership of our agencies and to examine the question of whether it appears possible, without prejudice to our sales interests, to transfer shares from Jewish and Czech banks and individuals

* Teerfarben- und Chemikalien-Handels A.G.

to Aryans or firms owned by Aryans whom we think suitable.

c. Regional Organization

Only the "Tefa" has its headquarters within the Sudeten-German area. The authorities, too, have deplored the lack of independent agencies of the Pharma [Sales Combine Pharmaceuticals] and the Afga-Photo within Sudeten-German territory. The existence of such an organization in Sudeten-German territory would have the advantage that, should the Sudeten Germans become autonomous or an Anschluss take place, a sales organization already adapted in these districts would be available.

Proposed action It is to be the aim that those Sales Combines with agencies within the Czech part of the country which supply local customers build up within the Sudeten-German territory suitable sales organizations with a large measure of independence.

Attorney to Our Agencies in Prague

Our Prague agencies are actually making use of the services of the non-Aryan Dr. Fanta.

Proposed action The Legal Department at Leverkusen was requested to replace, in consultation with the Sales Combines concerned, the non-Aryan lawyer Dr. Fanta with a suitable Sudeten-German lawyer.

Trainees

It seems expedient to begin immediately, and with the greatest possible speed, to employ Sudeten Germans for the purpose of training them within IG in order to build up reserves to be employed later in Czechoslovakia.

Proposed action Seebohm is requested to propose suitable persons.

Exports situation in the textiles industry

Exports of textiles from Czechoslovakia to the Reich and to Austria in 1937 amounted to approximately 50 million reichsmarks. Three-fifths of these exports went to Austria. The stoppage in Czechoslovakian exports of finished textile goods to Austria is causing a reduction in production of the Czechoslovakian textiles industry and therefore a substantial reduction in the exports of our textile products. In the last analysis, even the Sudeten-German worker in Czechoslovakian textile mills is effected by a stoppage in exports of textiles to Austria.

Proposed action The Political-Economic Policy Department will be requested to point out, during its discussions with the Reich Ministry of Economics, the situation and the developments affecting our business which would presumably result from it, but without giving its own opinion.

Banks

Most of our agencies deal predominantly with the Jewish Boehmische Union-Bank. The reason for this is that the Boehmische Union-Bank holds a 38 percent share in the "Tefa," controls a great number of our important customers and is one of the seven banks authorized to work under the Clearing Agreement. As far as is known, the only German Aryan bank is the Kreditanstalt der Deutschen G.m.b.H. which has only a small network of branches and is not authorized to work under the Clearing Agreement. For these reasons it is impossible to influence the customers to make their payments to the Kreditanstalt der Deutschen G.m.b.H.

Proposed action In order to assist the expansion of the Kreditanstalt der Deutschen G.m.b.H. or of another German Aryan bank—Deutsche Agrar—& Industrie-Bank, Prague?—the expenditure which would be entailed in paying—by a round-about way, via one of these banks—into the Clearing Agreement through one of the seven Clearing banks the amounts deposited by clients in postal savings accounts, is to be examined.

The Central Finance Administration and the Economic Research Department are to investigate the connections which existed between the Kreditanstalt der Deutschen G.m.b.H. and the Deutsche Bank and to make inquiries of the appropriate German authorities as to whether the Deutsche Agrar—& Industrie-Bank is a German Aryan bank.

Seebohm is requested to invite the managers of the Kreditanstalt der Deutschen G.m.b.H., Dr. Baumann and Kiesewetter, to visit the Central Finance Administration.

Currency

The fact that exports have dropped and that the receipts of the Treasury are below the budget estimate, combined with the

fact that expenditures for armaments have increased, lead to the conjecture that another devaluation of the Czechoslovakian koruna is to be expected.

Proposed action Measures to safeguard debts, owed to us in Czechoslovakian currency, against devaluation losses, will be continued.

Industrialization

IG is interested to know, as far as possible, of all projects concerning transfers within the chemical industry and the industrialization of chemical production.

Proposed action Seebohm is requested to try to obtain detailed information.

Sudeten-German Press

The Information Office [Nachrichtenstelle] has for some time been endeavoring to publish articles of general and particular interest in Sudeten-German newspapers and to this end was making use of the "Wirtschafts-und Zeitungsdienst G.m.b.H.," a company sponsored by the German authorities. These articles are intended to serve as preparation for a gradual financial strengthening of the Sudeten-German newspapers by advertisements.

Proposed action The Information Office, in collaboration with the Sales Combines, will determine the newspapers which are to be sponsored, inasmuch as they are suitable for advertising our marketable products. The papers are then to be supplied with articles by the Information Office and given advertisements in order to support them financially.

Furthermore, those newspapers of political importance and periodicals which publish articles and reports favorable to IG without actually giving publicity to our products, are to be supported by being given advertisements as regularly as possible.

Verein Fuer Chemische and Metallurgische Produktion, Aussig (Aussiger Verein)

The Aussiger Verein in which Solvay & Co., Brussels, has a direct 10 percent interest and, in conjunction with the Zivnostenska Banka, the majority of votes, has its most important production plants within Sudeten-German territory near the frontier. Having formerly been an Austrian enterprise, the Aussiger Verein was managed up to a few years ago by Germans. Accord-

ing to our information the Germans were dismissed from their executive posts, with a few exceptions, under pressure from the Czechoslovakian Government. Because of this, there is a preponderance of Czech nationals and, in addition, probably a large number of Jews, in commercial and technical executive positions.

Proposed action Seebohm is able, and is therefore requested, to obtain details regarding the men who had had to quit the Aussiger Verein in the course of the last few years. He is also to obtain information as to where they are at present employed in Germany. The Economic Research Department will get into contact with those who have found employment with us, in order to gain a more detailed knowledge of the personnel of the technical and commercial management of the Aussiger Verein.

In addition, Dr. Kuegler is requested to give relevant information, based on his personal knowledge of the Aussiger Verein, on this question of personnel which is at present of interest to us.

Signed: FRANK-FAHLE*
Signed: DIHLMANN

TRANSLATION OF DOCUMENT CK-61
GENERAL DEFENSE EXHIBIT 115

EXTRACT FROM THE "VOELKISCHER BEOBACHTER," 1 OCTOBER 1938, PUBLISHING THE STATEMENT OF HITLER AND CHAMBERLAIN OF 30 SEPTEMBER 1938

We have had a further conversation today and we are agreed in recognizing that the question of German-English relations is of the highest importance for both countries and for Europe.

We regard the Agreement which was signed last evening and the German-English Naval Agreement as symbolic of the wish of our two peoples never again to wage war against each other.

We are determined to treat other questions which concern our two countries also through the method of consultation and further to endeavor to remove possible causes of differences of

* Testimony of Frank-Fahle, who acted as chairman of this conference, concerning these minutes and the conference itself, appears hereinafter.

opinion in order thus to contribute towards assuring the peace of Europe.

Munich, September 30, 1938

ADOLF HITLER
NEVILLE CHAMBERLAIN

TRANSLATION OF DOCUMENT NI–4717
PROSECUTION EXHIBIT 563

LETTER FROM DEFENDANT TER MEER TO STATE SECRETARY BRINKMANN, 11 OCTOBER 1938, CONCERNING THE LOCATION OF THE THIRD BUNA PLANT IN RELATION TO ECONOMIC, POLITICAL, AND MILITARY CONSIDERATIONS

11 October 1938

Confidential!

To the State Secretary R. Brinkmann
Reich Ministry of Economics
Berlin W. 8, Behrenstr. 43–45

Dear State Secretary,

With reference to our conversation of the 4th of this month I take the liberty as agreed to report to you briefly about the points which are of special interest to you.

Action Concerning Buna in the USA

Enclosed please find copy of a paper which I read to you on that evening and which contains the statements I made in the Reich Ministry of Economics in March this year. In the course of our conversation on this subject I pointed out that, if the USA proceeded with the production of synthetic rubber, it would finally lead to handing over to the greatest consumer-country of natural rubber in the world the controlling influence on the price for plantation rubber. I believe that this argument is decisive for your trade-political negotiations with Washington.

As for the rest, I confirm my communication that as soon as the duties incumbent upon me in Germany permit it I shall leave for the USA in order to take the first steps for a utilization of our processes there. The permission to negotiate which I requested has just been granted to me by letter of 8 October 1938 from the Reich Ministry of Economics (I Chem. 166/38g).

Buna Production in Germany

In expositions of some length about the problems of buna production and buna manufacture, I have explained that, *taking a long view,* the production of synthetic rubber in Germany under

the protection of a tax acceptable to the economy, and from aspects of purely private economy, promises to become a sound permanent manufacture. In order to reach this goal it is necessary that the further development of the buna factories, the construction of which has already been started, be carried out using in every case the best of the newer processes available. I therefore requested you not to allow the building of the buna factories to be completely or preponderantly influenced by military interests, now that the immediate danger of war has been removed.

Buna Works No. III

Apart from the second step in the development of buna works No. II, I am particularly thinking of the location for buna works No. III. Due to the great stress put on military considerations, it has been proposed to locate it in Fuerstenberg, which location is unsatisfactory from several points of view. A better industrial site examined and proposed by us in Deschowitz (Upper Silesia) could not be considered until now because this area was considered as a troop concentration area against Czechoslovakia. Since the political tension has been removed, the Deschowitz location is again being considered.

In pursuance of your communications—which were of extreme interest to me—about the future attitude of Germany toward Czechoslovakia which, based on economic considerations, must have important political and therefore also military consequence, I now take the liberty of bringing forward for consideration a further location for buna No. III, namely in the northern part of the Sudetenland. As you know, there are extremely productive lignite mines. A number of basic chemical products is available through the works of the Aussiger Verein; furthermore a great pool of good labor, particularly of specialized workers, is also available. The population-political point of view should be very significant here after a 20-year reign by the Czechs and in view of the extensive unemployment. At any rate, it seems to me to be justified that the Sudeten-German location be examined in detail before a final decision as to the location of buna No. III is made and I would gladly place myself at your disposal for this investigation.

I took the liberty today to inform Dr. Krauch briefly about these discussions concerning the location of buna III.

May I be allowed, in conclusion, to express how thankful I am for being allowed to discuss with you, dear Sir, the above prob-

lems and other questions, and I shall take the liberty of keeping you currently informed about further developments.

Heil Hitler

Yours very respectfully

Signed. DR. F. TER MEER

PARTIAL TRANSLATION OF DOCUMENT NI–14024
PROSECUTION EXHIBIT 1872

EXTRACTS FROM THE MINUTES OF THE MEETING OF FARBEN'S LEGAL COMMITTEE, 15 NOVEMBER 1938, CONCERNING LAW SUITS INVOLVING THE GOLD CLAUSE, THE SALES OF PRODUCTS ABROAD IN CONNECTION WITH THE CRISIS OF SEPTEMBER 1938, STEPS TO ELIMINATE SEIZURES IN THE EVENT OF WAR, AND RELATED MATTERS

Minutes of the Meeting of the Legal Committee in Frankfurt on 15 November 1938

Present: [the defendant] Director Dr. von Knieriem, Chairman
Direktor Dr. Buhl
Director Dr. Brueggemann
Director Cl. Brandel
Director Dr. Stein
Dr. Boeckler
v. Dehn-Rotfelser
Dr. Frentzel
Dr. Kersten
Dr. Mayer-Wegelin
Dr. Schramm
Justizrat Wagner
Dr. v. Rospatt.[1]

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2. *Law Suits Concerning Gold Clause* [2]

In connection with Silcher's statements in the meeting of 20 December 1937, Kersten reported on the present stand of the gold clause law suits. IG is interested in this because of the loan of the American IG which it guaranteed and of which $23 million are still outstanding, and because of the loan of the Norsk-Hydro of 1927, of which approximately 1 million Norwegian kroner have not yet been converted. There is at present no suit pending with regard to the American IG, but on the other hand the Norsk-

[1] Dr. von Rospatt was one of the associate defense counsel in the Farben trial.

[2] Gold clause lawsuits has likewise been one of the topics discussed at the meeting of the Legal Committee of Farben on 20 December 1937, but the minutes of that meeting made no reference to possible involvements due to war. (NI–14023, Pros. Ex. 1873, not reproduced herein.)

Hydro is at present being sued in three places, Paris, Bern and Basel, for redemption of the loan in gold.

* * * * * * *

The question of the recognition of the gold clause legislation must be kept absolutely separate from that of the German foreign currency control legislation. In contrast to the attitude adopted with regard to the gold clause legislation in this respect, we find that there was absolute agreement in the decision of the courts to the effect that foreign currency control legislation could not be recognized; mostly, the reason given was that it was incompatible with the laws of the country concerned. The consequence of this is that a German debtor of a loan who has paid interest and amortization to the Deutsche Konversionskasse * can be ordered by a foreign court to pay the devaluated amount in free currency, even if the court rejects the further claim of the creditor to payment of the equivalent at the gold standard rate. It should be noted that quite a large number of German debtors have been sued from this point of view of the non-contractual repayment (payment to the Konversionskasse) ; for instance, Krupp in Paris in respect to a Reichsmark loan with a dollar clause, the AEG [Allgemeine Elektricitaets-Gesellschaft] by the trustee in New York and in Switzerland in respect to a loan which was the object of a suit before the Bern commercial court, and the Deutsche Bank in Switzerland, while in the USA the Stahlverein has already been ordered to pay on a reichsmark loan with a dollar clause. This non-recognition abroad of German currency control laws again makes the problem of safeguarding against attacks abroad a burning question for IG. After the discussion at the last meeting of the Legal Committee, nothing was really done in this respect until the September crisis suddenly made it urgently necessary to take steps. In order to eliminate the danger of seizure during war in case of hostilities, the stocks of dyestuffs in England were sold for £800,000, the stocks of pharmaceuticals in Czechoslovakia for about RM 2.8 millions, and a number of nitrogen stores were sold to a Dutch financing company, Mapro, which had been founded at our suggestion, and to the Hollandsche Koopmansbank, against immediate payment. The stocks in France, Belgium, and British India had been pledged to the banks granting credit, in connection with the raising of credits of which we availed ourselves to the full extent, and in this way were more or less safeguarded. In the remaining important instance the agencies had been organized as sole importers who had made large advance payments on the stocks. The Reich Ministry of Eco-

* Foreign Exchange Clearing Bank.

nomics did not give the subsequent authorization for these emergency measures which we had requested and demanded that the measures which had been taken be revoked; we also consider this expedient in view of tax considerations.

Since it is possible that if these measures that have been carried out now were repeated in case of a new conflict, they might not be legally recognized, the Central Finance Administration has suggested that the stocks and claims against foreign debtors should be safeguarded through a financing company in Scandinavia which is situated more favorably, geographically speaking, and to which the stores could be conveyed as security against appropriate prefinancing credits. Naturally, the question still has to be considered most carefully and the Sales Combines consulted. However, it seems necessary in any case that measures should be taken which are better prepared than those carried through during the September crisis.

In any case, this kind of arrangement can only eliminate the danger of seizure during war and of distraint against IG or at least limit it considerably. It does not protect IG from the possibility of being sued in the place abroad where the assets are, since it seems impossible to make satisfactory arrangements in this respect. The examination of the ownership of patents has shown, as has already been mentioned previously, that it would hardly be possible to transfer the patents to another company, such as Merseburg. It would also be impossible for IG to allow other companies to act for it in the numerous agreements dealing with relations with foreign countries (sale and license agreements, et cetera).

During the discussion, von Knieriem, Brueggemann, and Buhl particularly stressed the necessity for making suitable arrangements which promise to insure security. Berlin NW 7 is being asked to deal further with this question in close collaboration with the Sales Combines and other interested IG offices and to report on the results at the next meeting of the Legal Committee. The question of safeguarding the patent holdings is to be checked once again at the same time and particular attention is to be paid to this matter insofar as taxes are concerned.

In this respect it should also be considered whether a passage is to be inserted in the pension agreements of foreigners working in Germany and of German citizens working abroad, according to which they are only entitled to have the pension paid out in Germany.

In this connection, the difficulties which have arisen in the

reorganization of the agencies in British India were also mentioned.

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14. *Items for discussion at the next meeting of the Legal Committee*

To be noted: according to item 2: "Safeguarding IG against vulnerability abroad."*

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TRANSLATION OF DOCUMENT KUGLER 27
KUGLER DEFENSE EXHIBIT 25

LETTER FROM DR. HILDE BECKER TO DEFENDANT KUGLER, 29 NOVEMBER 1938, CONCERNING HER WORRY FOR HER HUSBAND IN PRAGUE

Obertressen, 29 November 1938

Dear Herr Direktor,

I hope that you still remember the Becker family, residing at Prague VII, and that you, therefore, shall not think it strange that I am writing to you now.

When the political horizon darkened, my husband sent me and my child here to Aussee where we always spend the summer, while he remained in Prague. I received a letter from Herr Otto Englert yesterday in which he states that he is already in Chemnitz and that my husband also wanted to leave Prague because there were plans to take hostages, or that they already are taking some. I cannot tell you how worried I am. The mail is cut off and every direct communication is interrupted. Does not Farben have its own means of communication—are there no private radio stations? And could I not get some news about my husband's condition? However, only with the greatest precaution, in order not to accidentally hurt him.

If you could do anything for me I would be greatly obliged to you.

I remain, with friendly greetings,
[Signed] DR. HILDE BECKER,
Bad Aussee Obertressen 7
(Prague VII, Habrmanova 6)

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* Extracts from the next meeting of Farben's Legal Committee on 2 October 1940 (Document NI-14027, Prosecution Exhibit 1874), are reproduced later in this subsection.

PARTIAL TRANSLATION OF DOCUMENT NI-14747
PROSECUTION EXHIBIT 2074

LETTER FROM DR. WARNECKE, MOBILIZATION REPRESENTATIVE FOR FARBEN'S LEVERKUSEN PLANT TO DONAU CHEMIE, 12 MAY 1939, CONCERNING MOBILIZATION PREPARATIONS[1]

I.G. LEVERKUSEN

Management Department

[Stamp]
Secret

Direktor Dr. Hackhofer
Donau Chemie A.G.
Vienna III, Am Heumarkt 10 Dr. Warnecke/Kr

Registered!

12 May 1939

Mob [Mobilization] Planning

Dear Dr. Hackhofer:

I proceed on the assumption that Dr. Haager has already spoken to you about the necessity of economic mobilization preparations for the plants of Donau Chemie A.G. In order to carry through, without delay, the first preparatory steps for the establishment of the "Mob" calendar, Dr. Kuehne has instructed me to tackle this problem for Donau Chemie A.G. on the strength of my experience in Leverkusen.

For this purpose, I shall be in Vienna from the 25th to the 27th this month, in order to discuss the necessary steps with you and the men in charge. This short period however will probably not be sufficient for furthering the work satisfactorily if part of the data is not being compiled beforehand.

For this purpose, I enclose herewith a number of forms,[2] the conscientious filling out of which is necessary before I arrive. You also find enclosed herewith brief instructions for the filling out of such forms. Since, at present, in the case of the plants of Donau Chemie A.G., a relatively small number of products is involved, I assume that these preparations can be completed without difficulty before the deadline expires. Dr. Wintersberger, with whom I shortly discussed this matter here yesterday, thought that this work can easily be done within the specified period of time. Any delay would have very unpleasant conse-

[1] This document is discussed in the testimony of defendant Kuehne reproduced above in subsection H 4*d*.

[2] Enclosures have not been reproduced.

quences for me since I have to continue my trip immediately following my stay in Vienna.

I should like to particularly emphasize the following: On all people dealing with this type of work, strict secrecy must be imposed in writing by the "Abwehrbeauftragte" [counterintelligence officer]. All documents connected therewith must be kept in a safe. I assume, however, that you know the details of these rules.

I also ask you to take up at once the preparations for the Mob planning with reference to the deferment of employees and workers who are inexpendable for the work in the "A case." For that, I shall convey to you special instructions. This work, too, should be possible in a few days since only a few hundred men are involved.

If there are any other questions which must be clarified in the meantime, please address letters to my attention, I.G. Farben, Leverkusen.

Copy of this letter is being sent to Dr. Wintersberger so that there be no delay in case of your absence.

A considerable number of forms I, II, and III are being sent to you registered under separate cover.

With kind regards

Yours sincerely

Signed: DR. WARNECKE

Copy to Dr. Wintersberger, Vienna

TRANSLATION OF DOCUMENT NI-14663
PROSECUTION EXHIBIT 2016

LETTER FROM DEFENDANT VON DER HEYDE TO DEFENDANT HAEFLIGER, 5 JUNE 1939, CONCERNING THE HANDLING OF HAEFLIGER'S SWISS CITIZENSHIP WITH THE AUTHORITIES

Dr. E. von der Heyde Berlin NW 7, 5 June 1939

To Director Haefliger

Frankfurt (Main) 20, Grueneburgplatz

Dear Dr. Haefliger,

Dr. Krueger has asked me to present to the competent authorities of the Reich and the Party the question of your retaining your Swiss nationality, without this fact causing you any personal difficulties in these times of political tension.

After having procured detailed information from the competent official authorities it would seem most expedient that, with the help of these authorities, I should submit an application to

the Ministry of the Interior in order to get from this Ministry a written confirmation that they have no objections on principle to granting you German citizenship, but that for special reasons, this acquisition of German citizenship should be deferred until further notice at the wish of I.G. Farbenindustrie.

In case you should agree with this mode of procedure, I should be very grateful, if, at your earliest convenience, you would send me your personal data, for instance, place of birth, date of birth, home address, name and nationality of your parents, duration of your activity with I.G. Farbenindustrie.

I await your reply with interest and am very willing to lend my service should you have other or further wishes in this matter.

Heil Hitler!

With best regards

[Signed] DR. E. VON DER HEYDE

TRANSLATION OF DOCUMENT NI-14661
PROSECUTION EXHIBIT 2015

LETTER FROM DR. KRUEGER AND DEFENDANT VON DER HEYDE TO THE MILITARY ECONOMICS STAFF OF THE HIGH COMMAND OF THE ARMED FORCES, 11 AUGUST 1939, CONCERNING REASONS FOR HAVING DEFENDANT HAEFLIGER RETAIN HIS SWISS CITIZENSHIP

[Stamp]
Secret

Registered

Strictly Confidential

Military Economics Staff
Attention: Lt. Col. Huenermann, or deputy
Berlin N W, Kurfuerstenstr. 125

11 August 1939
vdh/be

Director Paul Friedrich Haefliger

Dear Lieutenant Colonel,

Herewith we confirm the conversation which the undersigned on the right [below] had with you yesterday in which we had an opportunity to submit to you the following:

Director Paul Friedrich Haefliger, member of the Vorstand of our firm, is of Swiss origin and a Swiss citizen. He has had his domicile in Germany since February 1909 and is employed by our firm since this date. Director Haefliger belongs today to the leading men of our Sales Combine Chemicals, in which he was

employed already from 1909–1914, and from 1919 until now, in Frankfurt. From 1914 to 1919 Mr. Haefliger was appointed as head of the War Acids Commission [Kriegssaeurenkomission] in Berlin. During the past few years, Mr. Haefliger has had a second domicile in Berlin, in addition to his domicile in Frankfurt.

As these data show, Mr. Haefliger feels completely as a German and accordingly, he has the personal wish to acquire German citizenship.

However, against this personal intention, the Vorstand of our firm asked him, in view of the export interest of the Reich and our concern, and especially in view of possible war complications, to abstain from acquiring German citizenship. In regard to the question whether Director Haefliger should acquire German citizenship or remain of Swiss nationality as hitherto, the consideration that Mr. Haefliger with exclusively Swiss citizenship would be in a position, as an expert in the chemical field, to render Germany very good services, is, in our opinion of great importance. Thus, the possibility is given on the one hand, to have an expert who is loyal to Germany, unobstructedly negotiating abroad questions regarding war and vitally important imports, and on the other hand, to assure through him the direction of the absolutely necessary exports which then still would be possible.

Since, therefore, the maintenance of his Swiss citizenship by Director Haefliger would, to a considerable extent, also be in the general German interest, we take the liberty to ask you, whether this point of view of our Vorstand can reckon with your support. Such support is important for us bcause Director Haefliger, with some justification, foresees, in case of his maintaining his Swiss citizenship, personal difficulties for himself, or surveillance as a neutral foreigner, in case of war. The Vorstand of our firm, consequently, endeavors to do away with these personal and not unjustified misgivings of Director Haefliger by attaining for him the assurance that in case of war he would not be exposed to any personal restrictions or difficulties in consideration of his long stay in Germany and in consideration of his personal efforts to acquire German nationality as well as from the points of view of a more important nature which renders it advisable not to acquire German citizenship.

After having contacted the Reich Ministry of the Interior, the Main Office of the Security Police, as well as the High Command of the Armed Forces, it is therefore deemed advisable to inform the Abwehr Department of the Generalkommando [Corps Headquarters] III of this case. Director Haefliger will take up residence in Berlin in case of war. We take the liberty to ask you

to inform the Abwehr Department of the Generalkommando from your side, as we hope from your point of view you will accordingly support the matter.

In the conversation which took place a few days ago, you were kind enough to intimate a positive attitude on your part in the matter. In case you should require any more particulars for the treatment of the said matter, the undersigned to the right is at your entire disposal. Otherwise, we are looking forward with great interest to your written reply.

Heil Hitler!

I. G. Farbenindustrie Aktiengesellschaft
Signed: DR. KRUEGER Signed: v. DER HEYDE

TRANSLATION OF DOCUMENT NI-14664
PROSECUTION EXHIBIT 2017

LETTER FROM DEFENDANT VON DER HEYDE TO DR. BUHL, 30 AUGUST 1939, CONCERNING THE HANDLING OF DEFENDANT HAEFLIGER'S CITIZENSHIP

Dr. E. von der Heyde
[Stamp] Secret

Berlin, 30 August 1939
[Stamp] Secretariat
Min. Rat. Dr. Buhl

Ministerialrat a.D. [retired] Dr. Buhl Recd: 1/9/39
I.G. Farbenindustrie Aktiengesellschaft
Frankfurt (Main) 20, Grueneburgplatz

Dear Mr. Buhl,

In answer to your friendly letter of 28 August regarding the nationality of Director Haefliger, I gladly enclose herewith copy of the letter which we sent on 11 August 1939 to the High Command of the Wehrmacht, Military Economics Staff, care of the Chief of Staff, Lieutenant Colonel Huenermann. I myself see no objection to acquainting also Director Haefliger with the full text of this letter.

I hope that the settlement of this matter meets with your approval and beg to remain with the best regards,

Heil Hitler!

[Signed] DR. E. VON DER HEYDE

PARTIAL TRANSLATION OF DOCUMENT NI-14027
PROSECUTION EXHIBIT 1874

EXTRACTS FROM THE MINUTES OF THE MEETING OF FARBEN'S LEGAL COMMITTEE, 2 OCTOBER 1940, CONCERNING THE CONSEQUENCES OF WAR-TIME MEASURES ABROAD AND CAMOUFLAGING OF GERMAN AGENCIES ABROAD

Minutes of the meeting of the Legal Committee in Berlin on 2 October 1940

Present:

Direector Dr. v. Knieriem, Chairman
Director Dr. Brueggemann
Director Dr. Buhl
Director Brendel
Director Dr. Kuepper
Director Dr. Stein
v. Dehn-Rotfelser
Dr. Deissmann
Dr. Frentzel
H. Gierlichs
Dr. Heintzeler
Dr. Hoyer
Dr. v. Rospatt
Dr. Schramm
F. Silcher *

Serving with the Armed Forces:

Dr. Kersten
Dr. Mayer-Wegelin

* * * * * * *

1. *Questions on peace treaties, particularly of sequestration and of places of manufacture* (Kuepper)

I. *Past*

(1) First we should probably check on what suggestions we can make with regard to the consequences of war-time measures by which our foreign subsidiary companies, which are situated in enemy countries, are affected.

If we have to make any suggestions to the German authorities on the subject, the aim would be the following: All the firms situated in foreign countries which are part of our sphere of interest and which belong to us directly or indirectly, for example, sales companies as well as manufacturing companies, (herein-

* Gierlichs, Heintzeler, von Rospatt, and Silcher were all associate defense counsel in the Farben trial.

after always called "companies"), are to be released from all the measures taken by the enemy because of the state of war and of their consequences.

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(2) With regard to applications made which have the aims listed under (1) in view, it should be taken into consideration that the camouflage may also under no circumstances be disclosed with regard to those persons who held shares or stocks for us in accordance with the known agreements. Applications for annulment of war-time measures and for restitution, for instance, must therefore not be made by us but are to be submitted by the firm's owners or other persons concerned. The following should be provided in the armistice and peace agreements:

* * * * * * *

9. *Camouflaging of German agencies abroad (Kuepper)*

* * * * * * *

I. *What were the reasons which led to our camouflage policy?*

(1) Paramount in the historical development were particularly considerations of taxation. The establishment of branches or official subsidiary companies would have meant establishing places of manufacture. The amount of taxes resulting from taxation on these places of manufacture would have been considerably higher than that on independent sales companies which were operating the business.

(2) Then the development of political conditions forced us to camouflage as completely as possible in order to safeguard our organization and our assets in view of the imminent danger of war. This system provided a possibility for preserving the commercial organization, safeguarding the assets of the sales companies and facilitated prefinancing in connection with the raising of credit.

* * * * * * *

In connection with Kuepper's statements about the peace treaty questions, v. Knieriem points out that apart from the questions mentioned by Kuepper, some other suggestions might also be considered for the negotiations on the peace treaty. He asks that the members themselves should reconsider this and let him have any suggestions, since it is still possible to submit requests of this kind to the competent governmental authorities for their consideration.

* * * * * * *

3. *Legal status and legal order of the occupied territories, particularly the acquisition of control of Dutch companies (Heintzeler)*

In the following studies, the legal order of the occupied territories is not only to be considered from a purely German [innerdeutschen] point of view, but the international consequences of the legal order created by Germany in the occupied territories are also to be considered.

* * * * * * *

8. *The sphere of private law in particular, the treatment of private property*

According to the Hague Convention, comparatively strict limits are set the occupying power with regard to private law. In par. 46 it is stated that the honor and rights of the family, the lives of citizens and private property must be respected. At the same time the Hague Convention itself contains, however, a series of limitations of this principle. Thus the performance of services for the requirements of the occupying power can for instance be required under the conditions that the population may not be forced to take part in war operations against its own country

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von Knieriem remarks that Heintzeler's statement deals with an important and entirely new subject. It is to be supposed that the Legal Department of IG will sooner or later have to concern itself with these questions. In this respect he also recommends that the various offices get in touch with the Referent in case of doubt, so that the material compiled by him can be used to the advantage of IG.

6. TESTIMONY OF PROSECUTION WITNESS FRANK-FAHLE AND AFFIDAVIT OF DEFENSE WITNESS SEEBOHM, CONCERNING THE CONFERENCE ON CZECHOSLOVAKIA IN MAY 1938

a. Testimony of Frank-Fahle, Secretary of Farben's Commercial Committee

EXTRACTS FROM THE TESTIMONY OF PROSECUTION WITNESS DR. GUENTHER FRANK-FAHLE[1]

REDIRECT EXAMINATION

* * * * * * *

MR. SPRECHERS: Now yesterday you testified, as I recall, that, from the nature of military service and the mobilization questions, generally speaking, it never occurred to you (and I think this morning you said so far as you know it never occurred to anybody else in Farben) that these questions were related to aggressive acts. May I ask you, during what period that applied? Did that apply during the whole period from the time when there were Mob-Fragen [mobilization questions] up until the outbreak of war with Poland on 1 September 1939?

WITNESS FRANK-FAHLE: Mr. Sprecher, this is one of the most difficult questions. I mean, the question whether Hitler would be so foolish to start a war or not was pondered by everybody in Germany, and I know that the prevailing opinion, even amongst the more clever people in Germany, was to be afraid of an attack by other nations. In other words, they were afraid that Hitler would, in his very risky way of overrunning Austria, by overrunning Sudetenland, be entangled in a war. That he would start an aggressive war against the whole world—I believe that was not the prevailing opinion, but this is very difficult to answer, I mean, I think my personal opinion is not the opinion of everybody in Germany.

Q. Now, I don't want to cross-examine you because of the direction of the Court,[2] but I do want to ask you to try to refresh your recollection about a number of things, and I will start out about the conference (which apparently you remembered very well, since you brought it up) when Mr. Seebohm came up to

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[1] Further extracts are reproduced above in subsection V C 1a.

[2] The Tribunal had previously admonished prosecution counsel not to cross-examine the witness upon redirect examination. Dr. Frank-Fahle, a lawyer who spoke English fluently, held a number of official positions in Farben, and the prosecution had introduced several affidavits by him. During cross-examination by the defense, Frank-Fahle had given considerable testimony in favor of the defense. Later, during the defense case, Frank-Fahle also testified as a defense witness. At that time the Tribunal struck testimony elicited by the prosecution which was calculated to impeach the witness. See vol. XV, subsection XVIII F 5, this series.

Berlin and was present at a conference with you, quite some time before Munich. Quite some time before Munich. Remember that?

A. Surely.

Q. Now, do you remember, at that time, if you talked about the possibility of what I.G. Farben was going to do in case the Sudetenland was annexed, and even in case all of Czechoslovakia was overrun? Do you remember that?

A. I don't remember that, but it is very possible that I discussed it. I mean, as I told you, Mr. Sprecher, I have the minutes of this meeting not before me, and this meeting took place in summer, 1938, if I'm right; and in case you're interested I'll tell you how it happened. Mr. Seebohm had been the head of the sales organization in Reichenberg in Czechoslovakia, and he came to Berlin, not because he was asked for having a meeting about the Sudeten question but because he had some financial matters, I believe some depreciation business, to discuss with the Central Finance Administration. The papers, at that time, were full about Czechoslovakia. This was the beginning of Goebbel's or Hitler's propaganda that the so-called Sudeten-Germans were persecuted by the Czechs; and as we heard in Berlin that Seebohm was in our house, I asked him to come into a board room, and I asked a number of other people to be present, and I asked Mr. Seebohm to tell us what was going on in Czechoslovakia, because we were interested to hear from him; and we heard from him that more or less nothing was going on, that everything was peaceful.

Q. How long did it take you to call together this rather spontaneous meeting?

A. I mean, it is rather easy. I mean, when Mr. Seebohm comes to Berlin to discuss some financial matters and I ask him to come in, 1 or 2 hours, to Board Room 4, and I ask my secretary to telephone to WIPO [Political-Economic Policy Department] to have somebody present, there is always somebody who is able to be there in half an hour.

Q. The defendant Kugler was there, was he not?

A. I don't believe so.

Q. All right.

A. I don't believe so.

Q. Now, you are sure that was rather a spontaneous meeting, and that you did not discuss proposed actions?

A. I mean, that according to my recollection, it happened that way.

Q. Well, but answer the question, please. Do you recall whether any proposed action was taken that was to be carried out—that was to be the official policy of IG? Do you remember that?

A. I don't remember that. I mean, you mentioned, Mr. Sprecher, that in this meeting the question to favor German newspapers in Czechoslovakia was mentioned. I don't remember it, but in this case it must have been the case because you say you have it from the minutes, and I would like now to check the minutes of the K.A., whether the decision that we should give also some advertising matters to the German papers in Czechoslovakia was not already decided in the Commercial Committee.

Q. Please don't change the subject, Mr. Witness. If you want to do something like that at the request of defense counsel or at my request, you may do so, but it isn't necessary to go into a side avenue here.

I want to ask you just one more question. At this meeting, didn't you also talk about employing Sudeten Germans in IG so that you could later be ready to employ these Sudeten Germans in the rest of Czechoslovakia—that is, that part of Czechoslovakia which had nothing to do with the Sudetenland?

A. I don't remember that.

Q. The document in question, Your Honors, is already in evidence. It is Prosecution Exhibit 833. It is Document NI–6221.* I won't trouble you long with this document. Only to ask you one or two things. Do you know where Ilgner was at the time of that conference which was on 23 May 1938?

A. No, I don't know.

Q. You notice that Dr. Kugler was among the persons present?

A. No, that was not Dr. Kugler but Dr. Kuegler.

Q. I beg your pardon. The difference is in the umlaut?

A. Yes.

Q. Now, would you turn over to page 4 of the original German where there is a heading called "trainees"?

A. You mean the question of "Nachwuchs"?

Q. I beg your pardon. The question of trainees [Nachwuchs]. It is just after the proposed action with respect to removing the non-Aryan lawyer, Dr. Fanta, and replacing him with a suitable German lawyer. Just after that, Dr. Frank-Fahle, comes the heading, "Trainees." I should say it is the third paragraph from the bottom of the original German. You see that?

A. Yes.

Q. So there was some discussion in your presence about this eventuality of taking over all of Czechoslovakia at that time?

A. No, this is a conclusion you make from this.

Q. Well, you give me your conclusion about that. I think the words are very clear.

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* Reproduced in part above in subsection O 5.

A. I don't know whether the Court has this in English.

Q. They do. It's in evidence as Exhibit 833. It's Document book 46 at page 29.

[At this point there was an objection that the redirect examination was going beyond the scope of the cross-examination, and a further statement by the Presiding Judge concerning the permissible nature of questioning upon redirect examination. See vol. XV, this series, section XVIII F 5.]

Q. Well, I will withdraw the question concerning the trainees, unless you have a desire to indicate that this entry apparently doesn't mean what plain words say to me.

A. Mr. Sprecher, I would like to answer your question.

Q. Please go ahead.

A. And to be able to answer it, I would like to have the English translation before me of this document. I would like to say that I said in German, "It seemed expedient to begin immediately"—and now it reads here, "with the greatest possible speed," which is a little too accentuated translation, I should say —"to employ Sudeten-Germans for the purpose of training them with IG in order to build up reserves to be employed later in Czechoslovakia."

In case I were to translate it into English, I would say, "It seems practical immediately to train Germans of the Sudetenland for the IG in the interest of having later on trained younger people in Czechoslovakia." I don't remember—

Q. Just a minute. Since you are translating, if I may ask you, you forgot about the "fuer spaetere Verwendung," did you not?

A. "For later employment," yes, "for later"— am sorry. "To be employed later" or "for later employment." But I would like to remind you, Mr. Sprecher, that at that time for us in Germany, Sudetenland was part of Czechoslovakia. I, of course, can't remember what has been on my mind exactly, but I can only put myself in the position back in 1938, and you don't mind that I have to explain it a little more in detail. Austria had been occupied and had become part of Germany, I believe, just 2 or 3 months ago. I believe that it had been—I mean I don't like to talk about the way how it has been done, but it was—it had become part of Germany, and I believe all the powers, also the Allied Powers, had agreed to this political change. The IG had in Austria a lot of affiliations, sales agencies, and so on. When Hitler made this crude attack, we were severely attacked by the Nazi regime that more or less all of our agencies still employed Jewish people, that the members of the boards of the different companies were Jewish, and when the development in Czechoslovakia started, everybody could see that Hitler planned to get the German part of Czechoslovakia back. As later on the facts show, he got it back,

not in a nice way—I mean the way he started it with an absolutely Nazi method—but it was done in a way which followed, whether rightly or wrongly, with the approval of England, the United States, France, and God knows all the other nations.

We in the IG had also some imagination and read in the papers about the atrocities against Sudeten-Germans. I asked Mr. Seebohm, "What is the truth about it?" He said: "There is nothing to it." And he laughed. But knowing that Hitler had—I am sorry to say—success in his foreign political actions without being stopped by anybody—when he occupied the Rhineland, he was not stopped by France; when he occupied Austria, he was not stopped by anybody—we knew that he might succeed without causing a war in regaining the German part of Czechoslovakia.

The point for us in the IG was to be, in case such things happened, a little more careful, than in the case of Austria. In other words, if Hitler succeeded, which he did, in getting part of Czechoslovakia in a peaceful way, the IG should not again be found to have done nothing. It resulted that we asked our representatives in Czechoslovakia to give some of our advertising to Germans—Sudeten-German newspapers; not to continue to employ the non-Aryan or Jewish lawyer, Dr. Fanta, which was, I have to say it, also some window dressing, because in fact Dr. Fanta functioned as our very good lawyer, and continued to function. But for window dressing, we employed some Sudeten-German lawyers. In the same way, we had to see that we had not too many national Czechs in our employ. And out of this whole complex, this reading—this whole compilation has to be understood.

Q. Well, you do notice, now that your recollection is refreshed, that there comes in the minutes always a discussion and then some proposed action, so the meeting, if I am correct—and I am only asking you—the meeting was a meeting which did result in a determination of policy, is that correct?

A. Mr. Sprecher, I had no time during this cross-examination to reread the full eight pages. I was only able to glance over one page.

Q. Please just check the headings.

A. In case you would give me the time, I will read it over.

Q. If you will, please.

PRESIDING JUDGE SHAKE: Just a minute. Just a minute. Remember the rule we adopted here yesterday.

DR. GIERLICHS (associate counsel for defendant Schmitz): Mr. President, in connection with the technical matters of cross-examination, we have repeatedly asked for instruction. I have always been of the opinion, up to now, that redirect examination by the prosecution is strictly limited to the subject covered by

the cross-examination of the defense. For a quarter of an hour now, matters have been discussed which I find very interesting and which I should also like to discuss, but I do not believe that the procedure for this has been proper and that the formal prerequisites for such a redirect examination have been fulfilled. Therefore, I must object to the question as asked by the prosecution.

PRESIDING JUDGE SHAKE: Now, if you recall the state of the record, it is this: counsel for the prosecution asked the witness a question, subsequently withdrew the question, and then the witness said that he would like to make an explanation, and counsel for the prosecution said that he might make the explanation. He has made the explanation, and it was invited by the prosecution. The witness was justified in doing so. The Tribunal permitted him to make his explanation, and certainly there is no occasion now to cross-examine him with reference to an explanation that he made because of an invitation to make it. Now there is no occasion for any further interrogation along that line, and I think counsel for the prosecution understands the simple general rules of direct examination and he should now, if he desires to interrogate the witness further, ask another question. Now that is the situation as the record stands.

Ask another question, Mr. Sprecher.

MR. SPRECHER: I only wanted you to look at the minutes long enough so that you could refresh your recollection and give some further testimony. May I suggest that you just check the headings which appear very plainly and which are underlined throughout the minutes of this meeting just so that you can see what was the topic of action.

PRESIDING JUDGE SHAKE: Have you done that, Mr. Witness?

WITNESS FRANK-FAHLE: I glanced over the minutes, your Honor, and—

PRESIDING JUDGE SHAKE: There is nothing before you. Now we asked that just to ascertain if you had done what counsel requested. You say you have.

Now ask your question.

MR. SPRECHER: Yes. My question is the prior question. Is it not true, that at this meeting some decisions were taken which were in the nature of official policy?

PRESIDING JUDGE SHAKE: Now the Tribunal is going to sustain its own objection to that question. That is as leading as it can be, Mr. Sprecher. You asked him if it was not true about something. You can ask him what is true and let him answer. Then we can get along.

MR. SPRECHER: Will you tell us what was the purpose of the

proposed action which is indicated by the titles in the minutes of this meeting where the employment of Czech nationals and Jews is mentioned at a number of points?

A. Mr. Sprecher, in the minutes in the German version it reads "Vorschlag." This means not "proposed action" but "suggestion." In our Berlin organization we are not entitled to order any action. Therefore, it reads "Vorschlag," "suggestion."

Q. Who was entitled to order the action?

A. Whoever had to deal with the different sales organizations in Czechoslovakia, the three Sales Combines. Therefore, these minutes went to the Sales Combines, I believe. I mean the only way I personally could order an action was to secure the foreign exchange receivers and to continue to protect them against depreciation.

Q. Witness, can you tell by your signature and the other signature at the end of the document—what was the other signature?

A. "Dihlmann."

Q. Can you tell by that, or anything else in the document, approximately to whom these minutes were sent?

A. Yes, Mr. Sprecher. I went in cooperation with you through the minutes of the KA [Commercial Committee] and, therefore, I remember that in the next KA meeting which took place, I probably told the members of the KA that Mr. Seebohm had been in Berlin and that we had taken advantage of his presence to discuss with members of the staff of NW 7—because in the meantime I know also through the membership list, that they are all members of my staff, you know—to discuss the problems, and that I probably presented these minutes to the members of the KA.

MR. SPRECHER: No further questions.

(Recess)

RECROSS-EXAMINATION

DR. BACHEM (associate counsel for defendant Ilgner): Dr. Frank-Fahle, in the redirect examination by Mr. Sprecher, among other things, you also discussed the various extended absences of Dr. Ilgner* from Berlin and from Germany and, in that connection, the question of information of Dr. Ilgner was touched upon. First of all, I should like to find out from you about three long extended absences from Berlin. Is it correct that in 1934 and 1935 Dr. Ilgner was absent for almost 1 year traveling in East Asia?

A. Yes.

Q. Is it, furthermore, correct that Dr. Ilgner in 1936 was absent almost for a half year traveling in South America?

* The defendant Ilgner was the chief of Farben's Berlin Northwest 7 Organization.

A. Yes.

Q. And is it also correct that Dr. Ilgner, beginning with summer or autumn, 1938, until the middle of 1940, was absent from Berlin because of illness?

A. Yes.

Q. Dr. Frank-Fahle, you know Dr. Ilgner's organization from your own experience very well. I ask you, was it true that the deputy at the time—Dr. Ilgner's deputy, Dr. Krueger—was in charge of the organization during Dr. Ilgner's absence; very independently, without any question being asked, or any directives being given to him?

A. Yes.

Q. Isn't it even true that after Dr. Ilgner's return from his long absence, in the middle of 1940, one had the impression as though there was a double direction in this organization, Dr. Ilgner, and, too, Dr. Krueger?

A. Certainly. I even remember that Dr. Ilgner was not in agreement with a few measures that Dr. Krueger had taken.

Q. Weren't Dr. Ilgner's absences, which we have just discussed now, so extended that it was not even possible for him to get instructions or to issue instructions about business administration during his absence?

A. I believe that I already expressed that to Mr. Sprecher.

Q. And is it, furthermore, correct, Dr. Frank-Fahle, that Dr. Ilgner practically could not inform himself of business matters during his absences since these were so extended that the records during that time of his absences were much too extensive?

A. I assume that to be so.

Q. Dr. Frank-Fahle, from your own knowledge, do you know that Dr. Ilgner, even when he was present in Berlin, very often received piles of documents about matters in the business which he couldn't even read for months on end?

A. That is absolutely so.

Q. So that one might well conclude that Dr. Ilgner, who was very active, returned from such a trip with a lot of ideas that he wanted to pursue, that he didn't even have the time to read those records which Mr. Sprecher mentioned a few minutes ago?

A. Yes. That is so.

DR. VON KELLER (counsel for defendant von Schnitzler): Witness, when you called this meeting spontaneously, did you have any concrete documents for the political policy of the German Government in the future?

A. No, I merely had the precedent of Austria to go on.

Q. Thank you. When you called this meeting, then you did so primarily because you wanted to inform yourself personally of

events and to give the other gentlemen an opportunity to inform themselves of what Mr. Seebohm could tell them?

A. Yes.

Q. If you had any political convictions or assumptions at the time, were they founded only upon combinations or conclusions, or were these ideas founded upon definite instructions and plans from authorities?

A. They were founded only upon conclusions, Dr. von Keller——

Q. Thank you. I believe that is enough.

A. but also upon intelligence which I read in the German and foreign press, especially the English and American press.

Q. Thank you very much. You made a statement about this meeting in writing, and in it there is a paragraph which is entitled "Suggestions," isn't that correct?

A. Yes.

Q. This statement was turned over to the Commercial Committee?

A. I remember that at the next meeting of the Commercial Committee I took it along with me; that is correct.

Q. Did the Commercial Committee take any action after they saw this paper?

A. I cannot say at the moment. I would have to look into the records.

Q. You cannot remember?

A. The record was given to the gentlemen in the Commercial Committee. Whether they discussed it in detail, I do not remember.

Q. But do you remember any steps that were taken by the Commercial Committee?

A. I have already said that either before or after this meeting, the Commercial Committee decided not to neglect the Sudeten-German press, but to support it.

Q. But these are the only measures that you remember.

A. That is a measure that I remember now, concretely.

Q. Did Farben in its entirety—that is to say, the Vorstand—initiate any action as a result of this?

A. I don't know.

DR. VON KELLER: I have no further questions.

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b. Affidavit of Karl Seebohm, Representative of Farben in Czechoslovakia

PARTIAL TRANSLATION OF DOCUMENT KUGLER 24
KUGLER DEFENSE EXHIBIT 26

EXTRACT FROM AN AFFIDAVIT OF KARL SEEBOHM, 4 APRIL 1948, CONCERNING THE CONFERENCE ON CZECHOSLOVAKIA IN FARBEN'S BERLIN NORTHWEST 7 ORGANIZATION IN MAY 1938

I, Karl *Seebohm,* residing at Munich-Solln, Linastrasse 3, am aware that I render myself liable to prosecution if I make a false statement on oath. I declare upon oath that my statement is true and that it was made for use as evidence at the Military Tribunal No. VI in the Palace of Justice, Nuremberg.

Since 1935, I was the representative of the I.G. Farbenindustrie A.G. in Czechoslovakia, and from the same year onwards I was manager of the firm "TEFA"[1] in Reichenberg, which, in the main, acted as the representatives of the Dye-Sparte of the IG, amongst others also of AGFA's[2] artificial silk department.

I have known Dr. von Schnitzler and Dr. Kugler since 1925, because Dr. Kugler worked in the dyes sales department in Frankfurt and was also in charge of the sale of dyes to Czechoslovakia under the supervision of Dr. von Schnitzler, since about 1935.

* * * * * * *

With regard to the conference which took place in Berlin in my presence on *17 May 1938,* I want to say the following: On this day I was in Berlin on business in order to discuss sales problems with the AGFA. On this occasion, I also visited the house of the "ZEFI" [Central Finance Administration] in the street, Unter den Linden. On this occasion Herr Frank-Fahle invited me for lunch. To my surprise, very many gentlemen were present. I was asked to give a report about the situation in Czechoslovakia. Since this meeting was completely improvised, only general matters were discussed, as far as I remember. Only in 1947 I was informed that notes had been taken on this occasion. The notes can be described as rather exaggerated. As far as I can remember this conversation, I can only describe it as a rather amateurish affair, if they would have intended to prepare any measures in Czechoslovakia. Moreover, I do not remember having received any order to do or to establish anything. This would at least have been a somewhat practicable way. Furthermore, I want to state that some of the things laid

[1] Teerfarben- und Chemikalien-Handels A.G., Prague.
[2] Aktiengesellschaft fuer Anilinfabrikation, Berlin.

down in the notes do not conform to the facts. For instance, the matter regarding the treatment of Jewish legal advisers was put down in a completely incorrect way. In reality the situation was completely different.

The IG did not request the "TEFA" to take any measures in case of a new "Anschluss," and did not cause it to do anything. After the Munich Agreement had been signed, I was informed that the Hermann Goering Werke were interested in the plants of Aussig and Falkenau. The chemical plant von Heyden A.G. was also mentioned as an interested party. Only after the agreements were signed was I told that the IG was interested in it. Also the fact that Dr. Kugler was appointed trustee came as a surprise to me.

Solln, near Munich, 4 April 1948

[Signed] KARL SEEBOHM

7. TESTIMONY OF DEFENDANTS TER MEER, HAEFLIGER, ILGNER, AND KUGLER

a. Testimony of Defendant ter Meer[1]

EXTRACTS FROM THE TESTIMONY OF DEFENDANT TER MEER[2]

DIRECT EXAMINATION

* * * * * * *

DR. BORNEMANN (associate counsel for defendant ter Meer): The prosecution has offered a letter which you wrote in October 1938 to State Secretary Brinkmann in the Reich Ministry of Economics. Will you please comment on this letter?

DEFENDANT TER MEER: This is Exhibit 563 of the prosecution, Document NI–4717,[3] book 29, German page 34, English page 11. I do not know exactly what the reason for this talk with Mr. Brinkmann was, but in the report of the meeting which has been submitted by the prosecution, several subjects were discussed. I would assume, however, that I wanted to talk to him at the time about my trip to America, which I was about to take. I remember this talk very well, as it took place after a supper that lasted until late at night. On this occasion I learned that State Secretary Brinkmann, who previously had been one of Schacht's close collaborators, and who, after Schacht left the Reich Ministry of Economics, held an important position there, was now com-

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[1] An affidavit by Defendant ter Meer, Document ter Meer 2, ter Meer Defense Exhibit 9, is reproduced above in subsection O 4.

[2] Further extracts from the testimony of Defendant ter Meer are reproduced above in sections C 5, E 3, G 3, H 4, I 7*c*, J 4, K 3*a*, L 3*c*, and M 3.

[3] Reproduced above in subsection O 5.

pletely uninformed about the whole subject of rubber synthesis. I know only too well that, oddly enough, he thought rubber synthesis was something like a stand-by plant* for possible eventualities, and perhaps that buna was poor but perhaps useful as a substitute in emergencies. I took great pains to explain to him what was behind buna, and that I saw in buna synthesis something entirely different; that buna was not so bad, and that the expected price developments would be regulated too. It was in the fall of 1938, and I told him that the processing question would be solved, too, and that is reported in the second paragraph of this letter. The paragraph closes with a sentence in which I expressed somewhat ironically that Brinkmann should, in the future, not be governed by the military points of view. I asked for his support in possible future steps of the government on the question of buna, in the sense that the best and most economical processes be used in each case, and that, as long as certain processes used by us were not yet ready for production, no pressure should be exerted on us for the construction of another factory.

(Recess)

* * * * * * *

Q. Dr. ter Meer, before the noon recess, you have made some statements with respect to a letter which you sent in October 1938 to State Secretary Brinkmann in the Reich Ministry of Economics. You had not yet concluded this explanation of this letter, and would you, therefore, be good enough to continue?

A. At the end of this letter a statement is made about the proposed location of a plant at Fuerstenberg. This question has been particularly emphasized by the prosecution when they presented their evidence. I believe that I have already mentioned that this project, Fuerstenberg, as a planned third plant, had already been mentioned during the negotiations in the spring of 1937. Dr. Ambros and I were at Fuerstenberg at the time and we were not at all satisfied about the entire industrial prerequisites for the plant of Fuerstenberg. We suggested to the Reich office that if a plant was to be built in the East it would be more advantageous to us to move closer to the Upper Silesian coal. On that occasion, the representative of the Reich Office for Economic Development, who at the same time was an official of the Reich Ministry of Economics, Dr. Eckel, had told us "No." In the Upper Silesian terrain, no Four-Year Plan plants were to be erected because this

* See subsection VII K, "Special or Stand-by Plants Sponsored by the government or the German Armed Forces, and Constructed and Operated by Farben."

terrain was a military deployment area. I heard that and I brought it up during the discussion with Mr. Brinkmann.

Q. Did you understand that in the sense of a planned aggressive war against Czechoslovakia?

A. No, that had nothing whatsoever to do with an aggressive war. One need only read what the letter goes on to state and one must only imagine oneself into the position at the time. It was a few weeks after the Munich Agreement and the Sudeten-German question had been settled peaceably. An army, after all, needs a deployment area for defensive as well as offensive purposes. My attitude is illustrated in that letter, which at the time was the same as that of State Secretary Dr. Brinkmann about the treatment of the Czechoslovakian question. Economic considerations are mentioned in the letter which would bring about long range political and military consequences. That can only be interpreted in one sense, to wit: as a result of the economic cooperation between Germany and Czechoslovakia, the basis for a future amicable political collaboration had been created. In order to demonstrate that this had nothing to do with the military considerations, may I point to my proposal, to choose, instead of Fuerstenberg, the location in the Sudetenland territory which, after all, is very close to Czechoslovakia. That shows what I thought at the time, and how I meant that remark. Since the word Fuerstenberg has been mentioned, let me say something in supplementation. According to my best recollection, from the time of the beginning of 1937 until the decision was reached to build a second buna plant, at Huels, six different locations were considered. Various locations had been investigated in Germany upon request of the Reich Office for Economic Development, and Dr. Ambros personally or through his associates investigated all these locations, but he found out that in most cases not all of the prerequisites existed which were necessary for the construction of a large scale buna plant; these are coal, water, proximity to calcium [deposits], cheap power, etc. We investigated all these various suggestions and we really did not mind that, because this relieved us of our immediate agreement to the construction of a plant at Fuerstenberg, and that was really in accordance with our economic considerations at the time, and as it happened Fuerstenberg was never constructed.

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CROSS-EXAMINATION

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MR. DUBOIS: Now, you will recall that in your testimony con-

cerning your letter to State Secretary Brinkmann in October 1938, with respect to the location of Buna Works III, you explained a reference to not locating such plants in Upper Silesia because of troop deployments; and you said, I believe, that you had first heard of this objection from Dr. Eckell, who, in a conversation with you and Dr. Ambros had mentioned that no Four Year Plan plants were to be erected there because this terrain was needed for military purposes; and that you had then brought this matter up in your discussion with Dr. Brinkmann. Can you tell us about when this conversation with Dr. Eckell took place, and what else, if anything, he told you about this matter?

A. I cannot give you the date, of course.

Q. Approximately.

A. No, not even approximately. I have already explained this matter in my testimony. I have said that we no doubt received this information when the Reich Office required us to build a third buna plant, or rather the second, at that time in Fuerstenberg. In the opinion of Dr. Ambros and myself this was an unfavorable location. We always said at the time why not nearer to coal and limestone, include shipping on a river which is frozen over for several months a year and has so little water in summer that ships cannot be fully loaded. On that occasion Dr. Eckell, I think, mentioned Fuerstenberg for the first time in spring 1937, and he said to us that Four Year Plan plants could not be built in this zone. That zone was approximately the Province of Silesia, but I cannot tell you exactly without a map. The zone was far beyond Breslau, down the Oder [River].

Q. On the basis of what Dr. Eckell told you, you made these comments at the meeting with Dr. Brinkmann; is that right?

A. From my knowledge that up to that time there was this prohibition I took advantage of this discussion with Mr. Brinkmann (always from the point of view of our private economic consideration to build a factory in the right location) to influence him; first of all, that we shouldn't be pushed too much because we were planning better processes—that is in the letter, too—and, second, since peace had been concluded at Munich (and I certainly believed in that peace, otherwise I wouldn't have made that suggestion) that we should now be given permission to build a plant in Sudetenland or in Upper Silesia, in a place which Mr. Eckell had already said was impossible.

Q. Let me show you Prosecution Exhibit 563, the one we are discussing, Document NI–4717.* It's in book 29 at page 11, and I want to ask you just one or two more questions, Dr. ter Meer.

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* Reproduced in subsection O 5.

That's all. Now, in that document, first we have the reference that we have been discussing, "a better industrial site examined and proposed by us in Upper Silesia"—this is beginning at the bottom—"could not be considered until now because this area was considered as a troop deployment"—I believe is the better translation—"area against Czechoslovakia." Now, just preceding that, under the heading "Buna Production in Germany" we also have this statement: "I, therefore, requested you not to allow the building of the buna factories to be completely or predominantly influenced by military interests, now that immediate danger of war has been removed." Now, if you will also look at your Exhibit 74* in book 3. Now, you see the question and answer at the bottom of page 7, Dr. ter Meer?

A. Yes.

Q. Question: "When did it become apparent to you or the members of the Vorstand of IG that Germany intended to go to war?" Answer: "I cannot answer that for other persons. I will answer for myself. When the war broke out we always were fully confident that the war would be avoided. We saw that in 1938 when the political situation became very severe, as the conferences in Munich et cetera brought out. The steps taken afterward by our government, the steps taken towards Czechoslovakia, were very risky ones; but we were still hopeful and confident that the war could be avoided just as it had been avoided in 1938." I would like to ask you this question. If this war, the danger of which you spoke about in your letter to Brinkmann as having been removed in the fall of 1938 and which you speak of here as having been avoided in the spring of 1938, had actually broken out at either time, would you have regarded it as an aggressive or a defensive war on the part of Germany?

PRESIDING JUDGE SHAKE: That's a matter for the Tribunal to determine. He may testify as to facts and in certain limits as to opinion, but the ultimate determination is for the Tribunal.

MR. DUBOIS: May I just suggest, Your Honor, several times during the course of his interrogation he has talked about not foreseeing and not expecting aggressive war. I am trying to judge what he means when he uses the word "aggressive."

PRESIDING JUDGE SHAKE: The ruling will stand, Counsel.

Q. All right. Now, I will just ask this question. I think you testified on direct examination "I never believed in the possibility of war." I wonder how you reconcile those statements with the statement that's in the Brinkmann letter and the statements we have just read?

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* Document ter Meer 66, not reproduced herein.

PRESIDING JUDGE SHAKE: Are you asking a question?

Q. I asked him how he reconciles the statement in his direct examination with the two statements I just showed him?

A. In the fall of 1938 there was doubtless the danger of war. There's no question of that.

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b. Testimony of Defendant Haefliger

EXTRACTS FROM THE TESTIMONY OF DEFENDANT HAEFLIGER*

DIRECT EXAMINATION

* * * * * * *

DR. VON METZLER (counsel for defendant Haefliger): Mr. Haefliger, you described the acquisition of German citizenship in 1941, a little while ago. I want to ask you something about that. Would you please tell the Tribunal briefly the reasons that led you to undertake this step?

DEFENDANT HAEFLIGER: It was obvious, of course, that during the war foreigners, and especially those foreigners who held any positions in German economy such as I did, would be exposed to an ever increasing pressure and to being spied upon by the National Socialist agencies. For that reason, my position as a member of the Vorstand of Farben in the course of the war, in view of my Swiss citizenship, became more and more difficult to maintain, and untenable at the end. As proof for that, I refer to the objection brought against me by the Gauleitung of the NSDAP in Hesse in 1941. At that time I also became a certain danger to my associates within the scope of activity of the Sales Combines Chemicals, who became more reticent in informing me about their activities; and on their part they were exposed to denunciations of malevolent people who claimed that they perhaps violated the regulations regarding observation of secrecy since, during the war, an intensified obligation of maintaining secrecy was imposed upon even matters of minor importance. On the other hand, however, the firm did not expect anything from me that I could not reconcile with my conscience as a businessman, or with my professional ethics. After long consideration, therefore, I decided finally, after having lived in Germany for more than 30 years, to accept German citizenship in 1941, in order not to lose my position and the fruits of a life's work.

Q. Very well. From 1941 on, you had dual citizenship, then. Were there many such cases of Swiss people in Germany?

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* Further extracts from the testimony of Defendant Haefliger are reproduced above in subsections C 5, I 74, and N 5.

A. Yes, I had a dual citizenship. I was a person who had dual citizenship, and from my activities as a consul of course I know that there were many Swiss living in Germany who had the German citizenship as well as their Swiss citizenship. The same is true in many other countries of the world.

Q. Mr. Haefliger, from 1934 to 1938 you were Swiss Consul in Frankfurt. Did you, in 1938, finally sever your connections with the Swiss Consulate and never again take them up?

A. No. Since my main place of residence was in Berlin, my connections with Frankfurt became more vague. But at the beginning of 1945, when it was no longer possible to work any more in Berlin, since everything was destroyed anyhow, and since we were constantly being attacked by air, I returned to Frankfurt; and since one could see the end approach, I put myself at the disposal of the Consulate, and came in contact with the Swiss Ambassador in Berlin, and I was put on the staff of the Swiss Consulate in Frankfurt, to be the official adviser of the Consulate.

Q. Was that revoked officially after the capitulation?

A. No, after the collapse, when Frankfurt was occupied at the end of March, I became very active there. The Consulate had to be housed in a little village during the bombarding. It had to come back to Frankfurt. I had evacuated part of my house in order to make more room for the office. Then I made inquiries about the legal situation of the Swiss colony in Frankfurt, and wanted to protect them against any dislocations by the military.

Q. That is sufficient. Do you still have German citizenship?

A. No, I don't have German citizenship any more. I cancelled it after I was released from internment at the end of 1945.

Q. Have you been officially released from your capacity as a German citizen?

A. Yes.

Q. Who did that?

A. The competent Regierungspraesident in Wiesbaden did that.

Q. When?

A. On 25 January 1946; the Consulate helped me considerably at the time, the representative of the Consulate.

Q. Then you are a Swiss citizen only, is that right?

A. Yes.

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Q. Mr. Haefliger, concluding your examination on count one of the indictment, would you please once more state the so-called subjective state of affairs; that is to say, your own knowledge of the intentions of the Hitlerite government to wage an aggressive war. Did you have that knowledge?

A. No, I must deny that with all emphasis. According to the reports in the German press, according to speeches made by Hitler and other governmental functionaries, where again and again the love for peace on the part of Germany was emphasized, I had to assume that an aggressive war on the part of Germany was not intended. I did not know of any special plans of Hitler at the time. I remember particularly that on 6 September 1938 the German-French peace agreement was considered by me with great joy as a further guarantee of peace. When I heard about the fleet agreement with England, I interpreted it was a sign of future peace, and I did not think of any aggressive intentions. I always thought of Germany as representing the defensive point of view. I was very impressed by the speech of the Swiss President, Motta, who, in 1934, said, in a speech, that Switzerland had to remain armed, and then he said: "Those nations who do not safeguard or widen their military defense measures will be the sad prey of invasion." On the occasion of the Swiss festival on 1 August 1934, I quoted that speech, in my capacity as Swiss Consul, to my countrymen and I added the following commentary (I quote from my speech): "These are profoundly courageous and statesmanlike Swiss words. They do not criticize at all those events which happened and are still happening in other countries. They merely demand in an impressive manner that we want to be independent and free masters of our own destiny. For that purpose, an appropriate defense force which shall secure freedom and peace shall be established." On the other hand, this speech also stated that any other country should have the same inalienable rights, and I continued that these words shall be engraved in our minds and serve as the guiding principle for all our actions.

I could quote many other passages from my speeches which show my faith in the maintenance of peace; in the interest of time, however, I shall limit myself to that one quotation. I want to show with that that I, without at all being a militarist, considered the right of defense as a natural right of all free people aspiring towards peace and freedom. That is why I never saw in the rearmament of Germany a preparation for aggressive war.

Q. Thank you very much, Mr. Haefliger. This will conclude my examination with respect to count one of the indictment.

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CROSS-EXAMINATION

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MR. SPRECHER: Now, Defendant Haefliger, Austria was occupied by German troops at daybreak, beginning on 12 March 1938. Before 12 March 1938, did you inform Mayer-Kuester in Paris to

leave Paris too soon rather than too late, because of the possibility of war, in case Hitler used force against both Austria and Czechoslovakia?

DEFENDANT HAEFLIGER: I do not remember this letter, but there are a few things to be said about this. It is obvious that the political tension at the time, after Schuschnigg had called off the plebiscite, was very great, and I can remember that I thought, if the war started to spread, what would Italy do? The situation was tense. Those were assumptions on my part, obviously.

Q. You acted on your assumptions, did you not?

A. Beg your pardon?

Q. You acted on your so-called assumptions?

A. Of course, just assumptions.

Q. Now, at least after the Austrian crisis in 1938, did you not regard mobilization questions as matters which were deadly serious in their importance?

A. I always thought it was a matter of course that for a mobilization there have to be certain mobilization plans for economy, because, after all, war is something that affects economy too, and I considered it a matter of course that mobilization measures were measures which could show how serious the situation was only.

Q. At the time of the Austrian crisis in 1938, did you feel that the danger to the Farben headquarters in Frankfurt was sufficiently serious in case of war so that it was unwise to enlarge the buildings in Frankfurt at that time?

A. I believe that at that time it was the intention that the big building in Frankfurt was supposed to be expanded. I do not remember the year exactly. But years before that I had always held the view that it would be better if the chemical—

Q. Just a minute, Defendant. Just a minute, Defendant. I wasn't asking you about your prior feelings about moving to Berlin or not. I was asking you about the Austrian crisis, and whether or not at that time you felt that the crisis was sufficiently serious with respect to the eventuality of war so that you recommended for that reason that no enlargement be made of the headquarters in Frankfurt.

A. The expansion of the headquarters at Frankfurt, that was something that went on for months. It was always being brought up. You can't say just because of political tension that it was dangerous. One can imagine anything at such a moment. One can say, "Well, in the event of war, would France attack?" We did not know what was coming. We had no way of knowing when something like that starts, where it would end. I was

thinking, "If Italy comes in, and France comes in, there will be planes over Frankfurt. That is dangerous, and it would suit me to say that it would be better in Berlin."

Q. All right, now the Commercial Committee held a meeting on 11 March 1938. The first matter on the agenda was the mobilization question. This entry, Your Honors, will be found in Prosecution Exhibit 250, in Document NI–7621,* and that entry simply states, "Dr. von Schnitzler reports on the present situation and asks Dr. Ilgner to arrange a talk, together with the chief of the Political-Economic Policy Department, at the Reich Ministry of Economics which is competent for the above question, and to report on it at the next meeting." Now, my question to you is directed to that meeting of the Commercial Committee on 11 March 1938. At that meeting, did the Commercial Committee consider the transfer to Berlin of those departments of the Sales Combine Chemicals—that is your Sales Combine—which had the greater amount of dealings with armaments for military economy?

A. Yes, that was the idea. That was my idea, that the emphasis of chemicals was in Central Germany. There were a good many connections with Bitterfeld. Therefore, since economic control was getting stronger, especially in such fields, it became very obvious that we always had to go to Berlin from Frankfurt to arrange such things, so that our department chiefs were constantly in Berlin to discuss questions that came up, and consequently it is quite—

PRESIDING JUDGE SHAKE: You answered the question. That's enough of an answer.

MR. SPRECHER: Was it not decided at that meeting that the proposed construction project for enlarging the Frankfurt headquarters should be postponed until you could investigate the possibility of the transferring to Berlin those departments of the Sales Combine Chemicals which had the greater amount of relations with armament and military economy?

A. First of all, the Commercial Committee had nothing to decide about the expansion at Frankfurt. In the second place, I know—I recommended the idea of the transfer to Berlin. I suggested it, and I know that Dr. Ilgner welcomed the suggestion and that he wanted to cooperate. He said, "All right, present your arguments. Tell us what reasons there are for going to Berlin." And it is obvious, when one has such an intention—I thought it was right to move the department to Berlin—that one emphasizes such arguments, but that was not decisive. The de-

* Reproduced above in subsection H 2.

cisive thing was the difficulty in allocating all these materials, but all that is only part—

Q. Defendant, I was merely asking you if the Commercial Committee on 11 March 1938, did not decide that the enlargement of the headquarters was to be postponed until you could make an investigation of the possibility, which I mentioned. Now was it or was it not?

A. I do not remember any such decision.

PRESIDING JUDGE SHAKE: That is sufficient. You said you do not remember, it is a good answer.

MR. SPRECHER: Just before the invasion of Austria, did you personally not know that Hitler would invade Austria for certain and that the quick thrust into Czechoslovakia might also take place?

A. No.

Q. Now, after the occupation of Austria in March 1938, the first aggressive act of Hitler, did you seriously consider returning to Switzerland, the land of your birth, at any time?

A. I thought of that again and again.

PRESIDING JUDGE SHAKE: That's enough.

MR. SPRECHER: Now, Your Honor, the next document I wish to mark in evidence is NI–14507; this will become Prosecution Exhibit 2014.*

Q. This is a memorandum which I would like to have you look over during recess. It is signed—this is a memo which is signed by you. It is marked "Secret." The subject is, "The Construction Projects in Frankfurt and Berlin." It is dated 16 March, 1938, but it speaks of the meeting of 11 March 1938, the meeting of the Commercial Committee of that date; so there were 5 days between the time of the Commercial Committee meeting and the time you wrote this memorandum. May I ask to whom you addressed this memorandum?

PRESIDING JUDGE SHAKE: Mr. Prosecutor, it is time for us to rise for lunch. May the defendant have the exhibit over the noon hour?

MR. SPRECHER: Well, as I understand it, he eats with the other defendants and I'd like to have—

PRESIDING JUDGE SHAKE: I mean, may he have access to it before the Tribunal comes back? If you intend to interrogate him about it it will probably save time.

MR. SPRECHER: Yes, may we make arrangements for him to have it given to him when he returns to the courtroom and sits in the witness box?

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* Reproduced above in subsection O 5.

PRESIDING JUDGE SHAKE: Well, that won't save us any time, I was hoping—

MR. SPRECHER: He returns before the session begins and will have plenty of time to read this three-page document.

PRESIDING JUDGE SHAKE: See that he gets it in time to read it intelligently before he takes the witness stand again, in the interest of saving time.

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(Recess)

MR. SPRECHER: Dr. Haefliger, my assistant, Miss Raphael, gave you our document, Prosecution Exhibit 2014, at 13 minutes after 1. Have you had a chance to read it through?

A. Is this NI–14501?

Q. No, that is NI–14507.

A. Oh, that is a "7." Yes, I have got it. Yes.

Q. Now, to whom did you address that file note?

A. I have read it through. I don't know to whom I addressed it. I assume that it went to Mr. Weber and Dr. Buhl.

Q. Weber-Andreae, did you say?

A. Yes, I assume to Weber-Andreae,* but I cannot determine it. I don't know whether it was perhaps destined only for my own files. I assume that it also went to Dr. Buhl, but I cannot determine that.

Q. Buhl, B–u–h–l, is that right?

A. What?

Q. Dr. Buhl, B–u–h–l, is that right?

A. Yes, Buhl.

Q. Now, in that document you use three words in quotation marks, speaking of "the short thrust," "Der kurze Stoss." When did you first hear about the proposed "short thrust" into Czechoslovakia?

A. When I read it, I noticed that. I must have heard of this expression only during the meeting. When this complication with Austria was discussed it must have been mentioned by someone. That was a completely strange expression to me. It was all new to me. But I can say again what fears we harbored at the time, namely that the operation in Austria might have serious consequences. I remember this meeting of March 1938 very well, when we suddenly received news during the meeting that Austria had been occupied. This came as a complete surprise.

Q. Now, Defendant, just a minute. Did you say you received news that Austria had just been occupied?

* Weber-Andreae and Buhl were members of Farben's Vorstand who died before the end of the war.

A. Yes, that is what it says, and I remember that during the meeting in Berlin we suddenly received news that a telephone call had come from Munich from the firm of "Wacker," which was a firm friendly to us, to the effect that troops were moving and that it was evidently intended to occupy the country. That was a complete surprise for all of us. I remember that distinctly. Then we, of course, discussed it. One didn't know what would happen with Italy, for Italy had guaranteed certain areas of Austria, I believe. One assumed that Italy might march in. One thought that the French troops might be deployed, and so on. Serious danger was seen. This atmosphere was used by me to point to my former hobby-horse, as I might call it. For years I had again and again expressed the opinion that it would be more proper to move the heavy chemicals to Berlin; and I used this moment to reiterate. I said: "You can see again how dangerous it would be if an air raid should come from France." At that time, of course, one believed that Berlin would be a perfectly safe place. That was another reason. This is also expressed in this document: It says, "Under these circumstances, of course, the conference on M-matters [mobilization] took on highly significant features. We realized suddenly that—like a stroke of lightning from a clear sky—a matter which one had once treated more or less theoretically, could become deadly serious."

PRESIDING JUDGE SHAKE: Mr. Defendant, please, we cannot keep orderly procedure here unless we have some limitation on your answers. The Tribunal wishes to be liberal and give you a full opportunity to express yourself, but try to keep in mind the question that was asked and stop when you have answered that question and wait for another, please. Ask another question, Mr. Prosecutor.

MR. SPRECHER: Mr. Witness, the document itself mentions that the meeting was on 11 March. That is confirmed by Prosecution Exhibit 250, which refers to the Commercial—which is the minutes of the Commercial Committee meeting of 11 March 1938. Now the invasion of Austria did not take place until the 12th, that is the next day, in the morning; you know that, do you not?

A. I don't know that. I only know that on 11 March when we held this meeting—I assume that you are right, that it was the 11th—that we received a telephone report from Munich, or from the firm of Wacker, which is nearer the border, and I recall that Dr. Fischer gave certain information that troops were being mobilized in Bavaria. Whether troops moved into Austria on the 11th or early on the 12th, I don't know. At any rate, this alarming news reached us during this meeting, to the greatest surprise of all of us.

Q. You don't know who mentioned "the short thrust" into Czechoslovakia to you, do you?

A. No, I have no idea.

Q. Now, I have a very few questions about your Swiss citizenship. During the war you testified that you had your residence in Berlin. When did you move there?

A. I can't remember the exact date. I maintained a second residence for quite some time in Berlin, and I kept traveling back and forth between Berlin and Frankfurt. I moved to Berlin definitely shortly after the outbreak of the war, but I had already maintained a residence there before that time.

Q. During the entire First World War, were you not head of the German War Acids Commission in Berlin?

A. No, that is too much to say. I was only a small secretary at that time. I was 22 years old, 23 years old, no, excuse me, I was 28, but at any rate I was very young. I was Director General Plieninger's secretary before he took over an honorary office which was called, "War Acids Commission" [Kriegssaeurenkommission].

Q. All right. War acids, not assets.

A. Acids.

Q. Now, before the Second World War broke out in 1939, had you not personally expressed the desire to become a German citizen?

A. No.

Q. Before September 1939, did not the Vorstand of I. G. Farben express the desire that you should not become German—that you should not become a German citizen?

A. No, by no means.

Q. Did not the Vorstand state that you should not become a German citizen because of the interests of both the German Reich and of I. G. Farben?

A. No, I believe that you could save yourself all those questions if you asked another question. No.

Q. Thank you. Will it refresh your recollection if I mention in that connection that certain preparations in the case of war were under way in which the questions of your citizenship would be important for those preparations. Does that refresh your recollections?

A. No, no. I will come to that.

Q. Before—

Defendant, at the request of both your counsel and myself, will you go just a little bit slower so that we don't get the light?

Now, before the war broke out, is—is it not a fact that the

whole question of your citizenship was taken up with the Military Economics Staff of the High Command?

A. We are concerned here with a step which was undertaken by Dr. Krueger in Berlin with the purpose of having me left in peace as a foreigner so that I could perform my duties in the firm. I didn't want to be bothered by these stringent regulations, and Dr. Krueger took it upon himself to arrange the affair for me in his own way. As a result he wrote a letter which I saw only after several weeks, and with the composition of which I had nothing to do. When I received that letter I was surprised at the peculiar contents, the way they were formulated, but I couldn't change anything in it any more because it had been sent out long ago.

This letter was put to me on 11 May 1945 at Frankfurt by an official of the C.I.C. as especially incriminating. I then stated immediately that I had learned of the contents of this letter only long after it was written, but I couldn't prove this yet at that time. This proof has by now been brought, and must be among my files, because I did not rest until this matter was finally clarified; and, thank God, I received the support of Mr. Devine, the interrogator, who promised that he would settle this matter in my files. Therefore, I consider it odd that I am again questioned about this matter, without any statement that the whole thing has already been clarified in the official documents.

Q. We will come to the documents in a minute. Now, you testified that after the war began it appeared that you were superfluous in Frankfurt, and hence you moved your residence to Berlin. Is it not a fact that those arrangements had been made even before the war broke out?

A. No * * *.

Q. Is that right?

A. No, only after the war broke out did I transfer my main residence to Berlin. Before that I was frequently in Berlin.

Q. My question was whether or not the arrangements were made before the war broke out that you would be transferred to Berlin in the case of war?

A. I can't remember that.

Q. Now, I would like to introduce NI–14661 as Prosecution's Exhibit 2015.* I am giving copies of this to you: it is the letter of Dr. Krueger and the defendant von der Heyde to the Military Economy Staff of the High Command concerning you, which was written on 11 August 1939. Is that the letter which you saw shortly after the war broke out?

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* Reproduced above in subsection O 5.

A. Yes, that is the letter.

Q. Now, weren't you informed before that letter was written that the defendant von der Heyde and Dr. Krueger wanted to take this matter up, or were commissioned to take this matter up by Farben, in order to see that certain desires of Farben were maintained in this matter?

A. I cannot remember that the formulation of this letter was in any way discussed. Mr. Krueger stated to me at the time, "I am going to arrange this in my own way. You can leave it to me. I will get this matter settled, to have you protected."

Q. Do you recall that the defendant von der Heyde wrote to you about this matter several months before the war broke out, in 1939?

A. Yes. The regulations about foreigners in Germany became more and more stringent.

Q. Just a minute, Defendant. I asked you a simple question. Do you remember that the defendant von der Heyde wrote to you about this matter before the war broke out, in the year 1939?

PRESIDING JUDGE SHAKE: He said yes.

A. Yes and ——

MR. SPRECHER: That is an answer.

DEFENDANT HAEFLIGER: This is the letter.

MR. SPRECHER: Do you recall having received a communication from Defendant von der Heyde *before* you received the letter of 11 August 1939, which is in your hand, about this same matter?

A. I can remember vaguely that he wrote me a short letter at one time in which he stated that Mr. Krueger had given him the mission to take care of this matter, and he was now going to deal with it. He asked me for various personal data. He wanted some information to write that letter.

Q. All right, I will introduce NI–14663 as Prosecution Exhibit 2016, and you will be shown a copy of this letter.

After you have read it through, will you tell us whether you remember this incident more clearly?

PRESIDING JUDGE SHAKE: Mr. Prosecutor, while the defendant is looking at the letter, I might suggest that the prosecution had better take a little account of the clock too.

MR. SPRECHER: Yes, Your Honor.

A. Yes, that is a letter that I received in June 1939.

MR. SPRECHER: All right. Now I show you—I will also introduce in this connection, without any questions, NI–14664, which will become prosecution Exhibit 2017.

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DR. VON METZLER (counsel for defendant Haefliger) : I am now turning to Document NI–14507, Prosecution Exhibit 2014.[1] This is a file note about construction projects in Frankfurt and Berlin, dated 16 March 1938. Would you please briefly define your attitude with respect to that note which originates from you?

DEFENDANT HAEFLIGER: Yes. It is interesting for me to see it written down in the files again how surprised we were about this act in Austria and how suddenly we realized the so-called "M" [Mobilization] question which we discussed in the Commercial Committee, which was always dealt with more or less theoretically, was suddenly turned into "bloody earnest." I know that at that time there was general consternation in the Commercial Committee. Everyone asked himself, "What comes next?" We knew that France raised a veto against the customs union between Germany and Austria in 1930, and we had to expect that a much stronger interference was intended. This time we thought that France would take measures in that respect, then Italy, and then probably also Czechoslovakia, which naturally could hardly tolerate an encirclement of her territory. We said to ourselves, "A war is coming." And suddenly the discussion turned to the Grueneburg administrative building [on Grueneburg Square] at Frankfurt which was to be expanded. Since this was a hobby horse of mine and since I had proposed for many years that the Sales Combine Chemicals building should be constructed in Berlin and that a new, large building should be built for the housing of AGFA, I thought that now was a suitable moment to propagate my idea once more. Therefore I tried to do that, and I said that I didn't want to do anything in opposition to the Sparte discipline, but I wanted to openly question whether it was worthwhile to construct any expansions in Frankfurt where they would be subject to danger, and whether it would not be advisable to postpone the final decision until later when one could talk about it further. I merely took this opportunity, which seemed to be favorable.

Q. Thank you very much, Mr. Haefliger. At the end of your redirect examination I should like to discuss Document NI–14661, Prosecution Exhibit 2015, Document NI–14663, Prosecution Exhibit 2016, and Document NI–14664, Prosecution Exhibit 2017,[2] which deal with the acquisition of your German citizenship. Prosecution Exhibit 2015 is a letter from Dr. Krueger and Dr. von der Heyde to the Wehrwirtschaftsstab dated 11 August 1939,

[1] Reproduced in full above in subsection O 5.

[2] All three documents are reproduced in full above in subsection O 5.

in which the question of the acquisition of German citizenship and the retention of Swiss citizenship is discussed. With respect to that letter, I should like to ask you this: Before sending this letter, did you know about its working and its contents?

A. No. At the time I talked to Mr. Krueger and I told him that I naturally did not want to be embarrassed in my activity by the severe regulations against foreigners which were in effect at the time and which placed me in a very precarious position. I asked him to assist me in finding some way out so that I could in some way evade these measures without being compelled to acquire German citizenship. Mr. Krueger told me at the time: "Let this be my affair. I know about these matters, and I am sure I shall find some sort of solution in order to settle the matter." Afterwards I received a letter from Mr. von der Heyde, who was entrusted with handling this matter for me on behalf of Dr. Krueger. He explained quite generally Mr. Krueger's idea without, however, going into details. I said: "Well, Mr. Krueger took over this matter and there's nothing further I can say about that." I gave him my personal data which he needed for that purpose, my date and place of birth and so forth. Subsequently I heard nothing. Only after much time had elapsed—after this letter had been sent to the Military Economic Staff (I didn't even know that the letter had to be sent to that office)—I received information through Dr. Buhl, I think in September 1939, and he sent me a copy of the letter.

Q. What exhibit are you referring to?

A. That is Exhibit 2017, dated 30 August 1939. The letter to the Military Economics Staff was already sent off on 11 August.

Q. Mr. Haefliger, you are now saying that only subsequently you became acquainted with the contents of this letter?

A. Yes.

Q. Thank you very much.

Mr. President, this concludes my redirect.

DR. HOFFMANN (counsel for defendants Ambros and von der Heyde): Dr. Haefliger, I want to ask you first once more about Prosecution Exhibits 215, 216, and 217. Do you have them?

DEFENDANT HAEFLIGER: Yes.

MR. SPRECHER: Those are exhibits 2016, 2015, and 2017.

DR. HOFFMANN: Mr. Haefliger, will you please explain to me quite briefly what the reason was why this letter was written, as seen from your own point of view.

A. The reason was in order to avoid that I be subjected to the severe measures and restrictions against foreigners in Germany, and also to prevent or to make it unnecessary for me to acquire

German citizenship. I could have evaded all these measures simply by becoming a naturalized German citizen, and I actually did that 2 years later, because by that time the restrictions had become so severe and because the Gestapo had taken over this matter so that this letter actually didn't offer any security for me any more because of the ever increasing severe measures.

Q. Mr. Haefliger, but at that time, when this letter was written, you didn't have any desire to acquire German citizenship?

A. No, but one had to present it that way. That was Krueger's idea. You understand he could say "Mr. Haefliger wants to become a German, but the firm has forbidden him because of interests for Farben, not to do that and the firm is going to see to it that you are not going to be molested as a foreigner. But that was Krueger's idea of presenting this matter. He said "It's dangerous for anybody to say 'Spare me' if he can be told, 'Well, you can become a German.' And if he then says 'Well, I don't want to become a German' that makes matters much worse." That was the whole idea of Krueger and he made a statement to that effect during the early investigations. He made an affidavit which we are going to offer later.

Q. Mr. Haefliger, why did you have no desire to become a German citizen?

A. Well, since 1909 I had been living in Germany. That is to say I had been in Germany for more than 30 years. I was going to retire in the immediate future, and I said to myself, "If I have stayed a Swiss citizen for 30 years why should I become a German now."

JUDGE MORRIS: Dr. Hoffmann, I am somewhat at a loss to understand how your question or the question of Mr. Haefliger's citizenship affects your client, or as far as that is concerned, affects the other defendants. Would you mind telling the Tribunal why you asked these questions; what point you are trying to prove as competent on redirect examination?

DR. HOFFMANN: Judge Morris, we are concerned with the following thing. In my opinion the prosecution assumes that Dr. Haefliger actually was to retain his Swiss citizenship in order to be able to have certain advantages arising from this fact for the German Reich, as this letter erroneously states. Now my question is directed to find out that this letter, that is also signed by my client von der Heyde, in its form as it is before us, does not correspond to the truth, but that it is only a false front—a camouflage—in order to conceal the fact that Dr. Haefliger didn't want to become a German citizen; and that that was the only reason why the letter was written, and it was not written with the

purpose in mind of gaining certain advantages in the case of war for Germany because of the dual citizenship.

JUDGE MORRIS: All right, go ahead. I found it somewhat difficult to follow the connection.

DR. HOFFMANN: Dr. Haefliger, is it true that in this question that you were concerned with, you turned to Dr. Krueger?

A. Yes.

Q. Are you informed about that fact whether Dr. Krueger commissioned von der Heyde to deal with this matter?

A. I didn't know to what agency he would turn and by whom he would have this matter settled. I didn't know von der Heyde at all at that time, and I didn't know his position.

Q. I have only one more question, Dr. Haefliger. If you would be kind enough to look at Exhibit 2016, that is the letter which von der Heyde writes to you.

A. Very well.

Q. When you received that letter, did you have any objection or misgiving, or were you quite sure that all this was to serve the purpose of complying with the request that you had expressed to Dr. Krueger?

A. Yes, of course. Mr. Krueger told me, "Let me handle this matter in my own way. I am going to push this through." And then I heard that von der Heyde got the mission from Krueger, and then he was describing his method to me, and I said, "Very well, he can handle it. I don't want to interfere in his affairs at all."

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RECROSS-EXAMINATION

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MR. SPRECHER: Now, concerning the last three documents you were questioned about on redirect examination, those that pertain to your citizenship, I have one question. You have testified that you had a personal objective that involved the Reich authorities for Dr. Krueger and others involved. My question is this: Do you know of any other case where one had a personal objective involving the Reich authorities before 1939 in Germany, where the authorities were addressed in terms of the eventuality of war in order to obtain the desire from the authorities?

DR. VON METZLER: Objection, Mr. President.

PRESIDING JUDGE SHAKE: The Tribunal is of the opinion that that matter is too remote to have sufficient probative value to justify the question. The objection is sustained.

MR. SPRECHER: No further questions.

PRESIDING JUDGE SHAKE: Dr. Haefliger, you are excused from the witness stand but subject to the orders of the Tribunal about being recalled if we find it necessary.

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c. Testimony of Defendant Ilgner

EXTRACT FROM THE TESTIMONY OF DEFENDANT ILGNER[1]

DIRECT EXAMINATION

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DR. NATH (counsel for defendant Ilgner): First of all, I should like to go into your knowledge, or lack of knowledge, of the coming war, the so-called invasions and wars of aggression. Dr. Ilgner, what did you personally know of a coming war?

DEFENDANT ILGNER: I was firmly convinced that no war was planned and certainly no war was coming.

Q. Why did you personally believe to the last minute that there would be no war?

A. First of all, because of my mentality. After the Austrian question and the Sudeten question had been solved with the approval of the world without warfare, it seemed to me that war was pure madness. Any war had to mean a weakening of Europe and a strengthening of bolshevism, and that was madness. Besides, I was sick. I was in a sanitarium in Switzerland, and after that in Austria, and I was not in very close contact with the course of events; but my basic ideas and convictions were not affected by that.

Q. How did you learn for the first time of subsequent political events, first of all, the Anschluss of Austria?

A. I learned that over the radio, like every citizen. The idea was not new. It was expressed for the first time in 1919 and then again in 1931. That has been discussed enough here. When and whether there would be an anschluss, I did not know, and I may say most everybody did not know that. It was quite a surprise, and I can give no better answer than the prosecution exhibit introduced 2 days ago, Document NI–14507, Prosecution Exhibit 2014,[2] which was put to Mr. Haefliger. And I would like to read three things from it: "Already at 9:30 the first alarming messages had reached us. Mr. Fischer returned excited from a telephone conversation . . . . . We realized suddenly that—like a

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[1] Further extracts are reproduced above in subsections IV D2, VII D 4*b*, O 7*c*, and in subsections VIII C3, and E4 in volume VIII, this series.

[2] Memorandum of Haefliger, 16 March 1938, reproduced in subsection O 5.

stroke of lightning from a clear sky." This is a prosecution document from the year 1938, the 16th of March. I believe there is no need to say anything more on this subject.

Q. How did you hear of the Munich Agreement about the Sudetenland?

A. Again, like every citizen, on the radio. We were very much worried that things would go wrong. We were happy that everything was in order, thanks to the attitude of Chamberlain, above all.

Q. What did you learn about the invasion of Prague?

A. I heard about it over the radio, and was very much surprised.

Q. How and when did you hear of the beginning of the war with Poland on 1 September 1939?

A. I was convalescing at the sanitorium of Rupana in Austria at that time. Dr. Krueger, my representative, came to see me a few days before. He was desperate about my optimism. He could not convince me that this situation was serious. He went back to Berlin and (as has already been testified here) I went hunting in the wilds of Wachau. The same thing was true when the occupation of France took place.

Q. How did you hear of the entry into Denmark and the occupation of Norway? That was in April, 1940.

A. I was still convalescing in Austria. I heard that up in the mountains. These events were all a surprise to me.

Q. What do you know about the Goering speech in the Herrenhaus in 1936?

A. At that time I was on my way back from South America. I was in midocean. I came back on 22 December. I did not read the speech itself. This statement which was given here "There was just no shooting," or something like that, I never heard that,* I do remember that someone—who and where this was, I don't remember—told me something else about it that has not been reported here about the determination of the Third Reich for autarchy; and Goering is supposed to have said something like the following—I quote from memory, of course. "We will bore to the navel of the earth, and woe to the industrialist who does not collaborate! Into the abyss with him!" That is what I remember of the speech.

Q. Dr. Ilgner, the prosecution says in the Preliminary Memorandum Brief on page 89 as follows: and I quote: "Any intelligent man in Germany must have realized from the very moment

* See Document NI-051, Prosecution Exhibit 421, "Extracts from a Report of Goering's Speech before Leading Industrialists, 17 December 1936," reproduced in subsection F 2, "The Four Year Plan."

of Hitler's seizure of power that the Third Reich was heading inevitably toward war." Can you mention any intelligent man who had a different opinion?

A. Yes, Ambassador Dr. Ulrich von Hassel, who has been mentioned repeatedly. Von Hassel, as has been said, was very anti-Nazi. In 1937–1938, he was a personal enemy of von Ribbentrop's and, as such, was dismissed from the Foreign Office. He was a prominent member of the resistance movement. He was considered one of the best and perhaps the best man in the Foreign Office. After the successful assassination of 20 July 1944, he was to have become Foreign Minister of the Goerdeler[1] government, that is, the resistance movement.

Hassel was condemned to death by the People's Court and hanged in the spring of 1939. Hassel did not believe that Hitler was aiming at war. In his opinion Hitler's endeavor was to gain success in foreign politics without letting it come to hostilities. It was only in 1939 that Hassel began to doubt, and, as Hassel thought, so thought many people in Germany, and for them the war was a complete surprise.

d. Testimony of Defendant Kugler

EXTRACT FROM THE TESTIMONY OF DEFENDANT KUGLER[2]

DIRECT EXAMINATION

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DR. HENZE (counsel for defendant Kugler): Mr. Kugler, it is said in the indictment that directly on the heels of the invading German Armies there followed the functionaries of Farben. In the fall of 1938 you went to Aussig. Do you have anything to say about your work at Aussig?

DEFENDANT KUGLER: I don't know whether I am supposed to be directly affected by this passage in the indictment. In the event that it does refer to my work at that time, I should merely like to say that even if I had taken over such a position on behalf of the Reich Ministry of Economics [RWM], I considered it my duty to see to it that there would be no interregnum between the occupation and my arrival. It would have been difficult to justify myself if I had arrived a week or 10 days later, and if, in the meantime, in the two plants or the three mines, some emergency had arisen. There were about 4,000 people employed in

[1] Dr. Carl F. Goerdeler, Lord Mayor of Leipzig, was the chief civilian leader of the German resistance group which attempted the 20 July 1944 plot.

[2] Further extracts from the testimony of the defendant Kugler are reproduced above in subsection C 5*g* and in subsection VIII D 5, volume VIII this series.

the factory and mines. The purpose of the Commissariat was to preserve the jobs of these people and to prevent any anarchical conditions which might have arisen.

Q. I shall come back to your work as Commissar at Aussig later. I should now like to speak to you about the situation before that time. The prosecution has offered the minutes of a meeting in Berlin on 17 May 1938, when the head of the Czechoslovakian dyestuffs agency, Mr. Seebohm was present.[1] These minutes were offered as Document NI–6221, Prosecution 833,[2] book 46, page 29. Another Prosecution Exhibit 1612,[3] book 46, page 35*a* has reference to this previous exhibit I have just mentioned. You were not present at this meeting, but since Mr. Seebohm was head of this sales company in Czechoslovakia, and consequently subordinate to you, I should like to ask you briefly to comment on this.

A. The prosecution obviously attached great importance to these minutes of the meeting of 17 May 1938. This meeting has been brought into connection with events and dates, and as I understand it, the prosecution sees therein proof of participation in planning of aggressive action. In General Taylor's opening statement for the prosecution, page 113 of the German text, he emphasized that I was present at this meeting. You have already said that I was not present; that this is a case of confusion of names.

MR. SPRECHER: Just so there is no mistake: I think the prosecution has made its position on that point clear. We did initially make a mistake because of the umlaut in another gentleman's name, who is named Kuegler and not Kugler.

JUDGE SHAKE: Yes.

DEFENDANT KUGLER: In order to realize how significant or insignificant these minutes of the meeting of 17 May 1938 are, one must consider first of all, the tension in German-Czechoslovakian relations, which did not start in 1938, but several years before that; and the situation which resulted from this tension for the German agencies, including the TEFA[4] in Reichenberg. Mr. Seebohm, who was mentioned in these minutes, was the head of this TEFA firm in Reichenberg, the dyestuffs sales organization of Farben in Czechoslovakia. One must also consider the difficulties under which the TEFA was laboring at the time in

[1] See Document Kugler 24, Kugler Defense Exhibit 26, an affidavit by Karl Seebohm concerning the conference in Czechoslovakia, reproduced in part above in section O 6.

[2] Reproduced in part above in subsection O 5.

[3] Reference is made to item II of the minutes of the meeting of Farben's Commercial Committee on 24 May 1938, which are reproduced above in subsection N 3, as a part of Document NI–9289, Prosecution Exhibit 1069. This item from the minutes was also included in Prosecution Exhibit 1612, the exhibit number here mentioned by Dr. Henze.

[4] Teerfarben- und Chemikalien-Handels A.G.

relation with the Reich and the Party agencies. Third, at that time the Party policy with respect to the employment of non-Aryans was being intensified, and this was having its effect on foreign branches of German firms. One must especially point out the consequences in Austria. We will come back to them later. Finally, the situation in Czechoslovakia in May 1938 must also be considered. I may perhaps explain the four points. As a result of the political tension between Germany and Czechoslovakia, the Czech Government—I believe it was in 1936 or the beginning of 1937—passed a so-called State Defense Law. The law was obviously directed against Germany. According to this law, certain enterprises in Czechoslovakia could be declared war essential. I believe they were then called "M" [mobilization] enterprises. That was the term used in the law. TEFA was declared such an "M" enterprise. For such enterprises, there were very important restrictions on general business and personnel. That affected especially foreigners; in our case, Germans. The danger to TEFA through this law was so great that in 1937—I believe it was 1937—we were obliged at a cartel meeting to ask the Prager Verein to intercede with the Prague government to help us—or rather the TEFA—and this was done, and conditions were somewhat alleviated. But the whole organization of TEFA was, so to speak, sitting on a barrel of gunpowder. This was the occasion for a certain nervousness in TEFA. There was something else too. Not only did the Czech authorities consider TEFA as under suspicion, but also the German Party officers did, because TEFA or Farben kept old employees who fell under the so-called Nuernberg Laws,* and because the TEFA, as a corporation under Czech law, had to be careful and observe the laws of the country. Because the management of TEFA had only one desire, which was to conduct its business and be left in peace, it was considered in Party circles, as the expression was: a liberalistic oasis and politically unreliable. It went so far that the German Consul-General in Reichenberg in 1937, when a complaint was filed by a Sudeten German, sent a letter to the Frankfurt Gauleiter with his official seal and told the Gauleiter in writing that all these accusations were correct. The former Sudeten German representative in the Czechoslovakian Parliament, a Professor Jung, who wrote to the Frankfurt Gauleiter about the same

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* Reference is made to that part of the Nuernberg Laws (German laws approved at the Party Rally in Nuernberg in 1935) which prohibited marriage of Jews and non-Jews, withdrew citizenship from Jews, and prohibited any female non-Jew under 45 from working in a Jewish home.

matter and said in his letter that it was time to air out such places once and for all.

CROSS-EXAMINATION

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MR. SPRECHER: Mr. Kugler, as I understood you, you testified that you were not present in the middle of May 1938 when Seebohm had this conference in Berlin along with Frank-Fahle and some other persons from NW 7. Is that correct?

DEFENDANT KUGLER: Yes.

Q. And that later on you reproached both Frank-Fahle and Seebohm for holding a conference on this matter without your knowledge, is that correct?

A. Yes.

Q. Now, when did you reproach both Frank-Fahle and Seebohm?

A. I can't fix the date. I assume that I voiced my displeasure about that meeting toward Frank-Fahle on the occasion of the Commercial Committee meeting which took place approximately on 25 May, I think. Whether I telephoned Mr. Seebohm from Frankfurt or whether I discussed it with him when I came to Reichenberg next time, I can't say today.

MR. SPRECHER: No further questions.

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[Further materials from the record in the I. G. Farben Case appear in volume VIII, See Contents, pp. III–XI, this valume.]

☆U.S. GOVERNMENT PRINTING OFFICE: 1953

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